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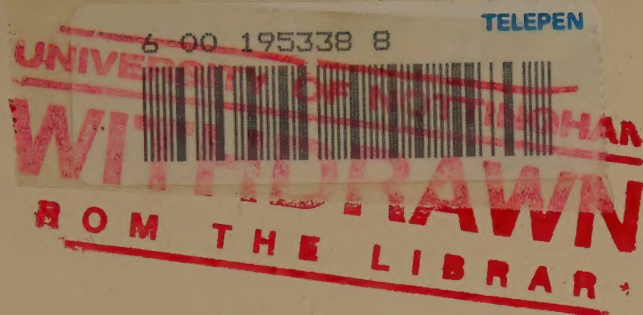


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INDEMNITY MARINE ASSURANCE COMPANY, LIMITED.

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BRITISH INSURANCE ASSOCIATION,
ALDERMAY HOUSE,
QUEEN STREET
LONDON.



INDEMNITY HOUSE

No. 1, Old Broad Street

THE
Indemnity

A Centenary Retrospect

1824—1924

By
J. F. MAINLAND
and
E. H. HOWARD

With
A Foreword

by
The Rt. Hon. VISCOUNT MILNER
K.G., P.C., G.C.B., G.C.M.G.

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Published by
**THE INDEMNITY MUTUAL MARINE ASSURANCE
COMPANY, LIMITED**

THE UNIVERSITY OF CHICAGO

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FOREWORD

IN the following pages the Indemnity Mutual Marine Assurance Company, having now attained its hundredth anniversary, offers to its friends, and to others interested in the development of marine insurance, a brief record of its career. It does so with no purpose of advertisement, and in no spirit of self-glorification. The Company has indeed good reason to be proud of the results achieved, not without many vicissitudes, during the century of its existence, and of its present strong and honourable position in the insurance world. But these are matters of domestic concern. What may be of interest to a wider circle is the light which the data here collected throw upon the beginnings of an important branch of British business, and upon the changes which have come over City methods, City life, and the external appearance of the City, as seen from one particular angle, since those early days. Individual records such as this—and the more we have of them the better—are the raw materials of the historian—contributions individually small but collectively indispensable to any chronicle of the growth of London as a great financial centre. That growth resembles the flow of a river of ever-increasing volume fed by many waters. This booklet traces the course of one of its tributary streams.

MILNER.

August 9th, 1924

PREFACE

ALTHOUGH at least five Insurance Companies will celebrate their Centenaries this year, only one of them, the INDEMNITY MUTUAL MARINE ASSURANCE COMPANY, LIMITED, still carries on a purely marine business.

The year 1824 was a turning point in the history of Marine Insurance, and, as the generally recognised authorities on this subject are incorrect in so far as the facts relating to the Indemnity are concerned, some attempt has been made in this short volume to place on record such details as may be of interest to the Marine Insurance public.

The Company's records have supplied most of the material used in this retrospect, but acknowledgment is due to the officials of the Guildhall library for their willing help and guidance, and to authorities whose works have supplied information which is not directly attributed to them in the text.

J. F. M.

E. H. H.

August, 1924.

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CHAPTER I.

Early Marine Insurance

IN order to get a reasonable conception of the situation in the world of Marine Insurance in 1824 it is necessary to retrace one's steps over at least three centuries.

Marine Insurance in some form or other can be traced back to the Greeks and Romans, though in those early days it generally took the form of Bottomry.

The great Hanseatic League, an association of North German trading towns, which existed from the twelfth century to the sixteenth, controlled the major portion of the shipping of the world during that period, and had its own insurance laws. In 1310 a Chamber of Assurance was established in Bruges "by means of which merchants could insure their goods, exposed to the risks of the sea or elsewhere, in paying a stipulated percentage." Practically all British shipping was controlled by a branch of the League in London, the members of which were known as the Merchants of the Stillyard (or Steelyard). These merchant princes established a detailed and elaborate scheme of insurance, and some of the outstanding principles of present-day marine insurance can be traced back to this source. Their expulsion from London in 1597, largely at the instigation of Sir Thomas Gresham, and the consequent rise of our own merchant shipping to power and success, made a British system of Marine Insurance essential.

In 1601 the English Parliament passed a Statute entitled "An Act concerning matters of assurance amongste merchantes." This is the first Act on the Statute Book relating to Marine Insurance (43 Elizabeth, Cap. XII.). Its preamble breathes the spirit of our adventurous ancestors :

"And whereas it has been tyme out of mynde an usage amongste merchantes, both of this realme and of forraine nacyons, when they make any great adventure (speciallie into remote partes) to give some consideracion of money to other persons

(which commonlie are in noe small number) to have from them assurance made of their goodes, merchandizes, ships and things adventured or some parte thereof, at suche rates and in suche sorte as the parties assurers and the parties assured can agree, which course of dealinge is commonlie termed a policie of assurance ; by means of which policie of assurance it comethe to passe that upon the losse or perishinge of any shippe there followethe not the undoinge of any man, but the loss lightethe rather easilie upon many than heavilie upon fewe, and rather upon them that adventure not than those that doe adventure, whereby all merchantes, especiallie the younger sorte, are allured to venture more willinglie and more freely."

The Act appointed a special commission to hear cases arising out of insurance policies, but it was such a cumbersome court and so dilatory in its methods that, after existing nominally for a generation or two, it disappeared completely.

Prior to the establishment of coffee houses in London, the business of marine insurance appears to have been carried on by bankers, moneylenders and others, who took marine risks as a sort of side-line to their ordinary business, and there was no particular organisation for the acceptance of risks.

The establishment of Lloyd's Coffee House in the latter half of the seventeenth century was the beginning of a new era in marine insurance. At first it was merely a meeting place for seamen, but after the move to Lombard Street it gradually came to be recognised as the rendezvous of the marine insurance fraternity.

The development of Lloyd's from its lowly birth to the wonderful establishment at present housed in the Royal Exchange has provided material for many books and pamphlets. Suffice it to say that when, in 1720, the establishment of two Marine Insurance Companies was suggested, Lloyd's fought hard against the issue of the necessary charters. The poor state of the Civil List at the time was the deciding factor, and the London Assurance and Royal Exchange Corporations were granted charters on condition that they made heavy payments to the Royal Funds. The Act which authorised these charters (6 George 1, Cap. 18) also "restrained all other corporations or bodies politic from granting, signing or underwriting policies after June 24th, 1720." Lloyd's eventually rejoiced in the Act against which they had fought so hard, as it created a monopoly which lasted for over 100 years.

Various attempts were made during the eighteenth century to obtain the repeal of 6 George 1, Cap. 18, but all were unsuccessful. In 1810 a far more strenuous effort was made which led to the appointment of a Select Committee of the House of Commons. Lloyd's and the two chartered companies marshalled their evidence and showed, incidentally, that Lloyd's were still doing five-sixths of the business, but the report of the committee was in favour of the repeal of the Act. Parliament, however, threw out the proposition, and there the matter rested for another fourteen years.

CHAPTER II.

The First Decades of the Nineteenth Century

IT is difficult for the present generation to visualise the state of affairs at the beginning of the nineteenth century. Easy methods of communication such as we have come to consider part of the natural scheme of things were unheard of. Steam and electric railways and ships, telegraphy, telephony, petrol and electric road vehicles were catalogued among the prophecies of the future and were laughed at as impossibilities. The first railway (Stockton and Darlington) was opened in 1825, but the first London line was the London and Birmingham (1833), and the discomforts of travel during recent strikes pale into insignificance when compared with the accommodation (?) provided in the earliest carriages. In the winter of 1828-9 the omnibus lumbered into view, and "Hansom's Patent Cab" appeared in 1834. Road travel was by coach and chaise, and parcels were carried in waggons or carts which took three weeks to reach Edinburgh.

London in 1824 was a residential town, the majority of the City staffs living within easy walking distance of their offices. The piles on which rests the present London Bridge were being driven into the bed of the river, and it was not until 1831 that the new bridge was opened. Parts of the County of London which are now included in the slum area were then aristocratic residential districts. Bow, Stratford, Bromley, Clapham, Tottenham and Canonbury were merely villages, and one of the Indemnity Company's first directors had his palatial residence at Shadwell.

By the overthrow of Napoleon in 1815 England brought peace to Europe, and secured for herself lordship of the seas and the commercial supremacy of the world at that time. During the previous decade internal and external changes had transformed an agricultural

into a manufacturing country. The inventions of the steam engine, the spinning jenny and the power loom all combined to increase the volume of factory output. Exports increased about 250 per cent. in twenty years, and the advent of Huskisson to the Board of Trade inaugurated a period of fiscal and commercial reforms based on the belief that "national prosperity would be most effectually promoted by an unrestrained competition, not only between the capital and industry of different classes in the same country, but also by extending that competition as much as possible to other countries." The taxes levied on the introduction of raw material, such as silk and wool, were reduced, bounties on exports were abolished, and the Navigation Acts, by which goods were forbidden to be brought to England in any but British ships, or, in the case of European countries, in vessels belonging to the countries from which the goods came, were largely modified. These measures gave a great impetus to trade, but the sudden burst of prosperity led to much overtrading and speculation (the wildest since the South Sea Bubble of 1720). The result was the terrible panic of 1825-6, when 60 or 70 banks failed within seven weeks.

CHAPTER III.

First Indemnity Meetings

FOR some years prior to 1824 Clubs and Associations of Ship-owners had been in existence in different parts of the country, and a system of mutual insurance had been carried on by them at much cheaper rates than those charged by Lloyd's and the two chartered companies. There were two great drawbacks to these clubs. In the first place, there was considerable doubt whether they were legal or not in view of the Act of 1720, though the small amount of business done probably saved them from legal action. Secondly, the collection of losses was a very protracted procedure, as there was no capital fund, and proportionate amounts were collected by levies on members.

Early in 1824 a scheme was propounded by John Staniforth to form a company with a capital of £5,000,000 on the same principle as these clubs and associations, namely, the system of mutual insurance. A meeting was held at 52, Old Broad Street, at which a number of "influential and respectable gentlemen" were present. The minutes of a meeting of such importance must be given in full.

" 52, Old Broad Street,
Thursday, 22nd April 1824.

At a Meeting

Present :

Robert Rickards, Esq.
McIntosh, Esq.
Cockerill, Esq.
A. H. Thompson, Esq.
George Lyall, Esq.
Charles Staniforth, Esq.

Thomas Murdoch, Esq.
J. H. Palmer, Esq.
M. Wigram, Esq.
W. P. Dowson, Esq.
J. W. Buckle, Esq.
Thos. Allan, Esq.

and John Staniforth, Esq.

" A plan having been read to the meeting by Mr. Staniforth for the formation of a Mutual Assurance Company

" It was determined

" That it will be highly advantageous to Merchants and Shipowners to form a Company for Marine Insurances, on the principles detailed in Mr. Staniforth's plan, to be called ' A Mutual Assurance Company.'

“ And it was further determined to form a Committee consisting of the following gentlemen (with power to add to their number) for the purpose of considering the best means of carrying the object into execution, and to report their opinion at a future meeting.

“ The Committee were appointed to meet the 23rd instant at eleven o'clock, and to be denominated the Committee of Management.

Committee : Robert Rickards, Esq.
George Lyall, Esq.
J. H. Palmer, Esq.
A. H. Thompson, Esq.

Thos. Murdoch, Esq.
John Staniforth, Esq.
John Innes, Esq.
R. Hart Davies, Esq., M.P.

“ They were accordingly authorised to settle and arrange all such matters as should appear to them necessary or expedient as well for the formation as for conducting the business of the Institution, subject of course to the approbation and confirmation of a General Court.

“ It was proposed by Mr. Staniforth and unanimously approved by the meeting that Robert Rickards, Esq., be the present Chairman and George Lyall, Esq., Deputy Chairman of this Company.

(Signed) R. RICKARDS.”

The date of this meeting is of some significance, as the Act which gave the monopoly to Lloyd's, the Royal Exchange and the London Assurance was still on the Statute Book. It must be assumed that the promoters of the scheme were aware of a powerful movement which was in progress for its repeal, and it was on the assumption that this would be successful that the Committee commenced its task.

The newly appointed Committee lost no time. On the day following the original meeting they suggested names of influential gentlemen and set themselves “to gain the sentiments of their respective commercial establishments upon the principles of the plan and their inclination to support it.” On May 11th a form of prospectus was read and approved and ordered to be printed and circulated. Names of Directors were suggested and it was also agreed that the denomination of the Company should be the INDEMNITY MUTUAL MARINE INSURANCE COMPANY (it is a somewhat peculiar circumstance that whenever the name of the Company appears in the writing of the first Secretary in the early minutes the word *Insurance* is used, but in all printed documents, policies, etc., the word is *Assurance*. This substitution of words still causes some confusion, though the latter form has been used officially for 100 years).

It is recorded under date of May 29th that frequent meetings were held at this period, but no resolution was passed in consequence of the necessity for previous reference to law officers for their advice and opinion. The counsel consulted during this difficult period were the Attorney-General (J. S. Copley), Brodie (mentioned in the centenary record of the Clerical, Medical and General Assurance Society as the counsel who prepared their Deed of Settlement), Tindal and Shadwell ; and it is evident from the cases put to these gentlemen that the Committee were determined to build on a firm foundation. The earliest case, on which Brodie gave an opinion dated May 10th, gives a good indication of the bases of the scheme :

“ If the Act of 1717 (? 1720) should be repealed, can a Company founded on the annexed prospectus be established by Deed so as with a policy of assurance *the Funds alone* of the Company, exclusive of the responsibility of the Directors and Proprietors, can be made liable to the Assured. And what steps are to be taken previous to the repeal to give validity to the Association.”

Considerable stress is laid on the necessity for limiting the liability of the Shareholders and Directors to the amount of the Subscribed Capital of the Company, and the various counsel were agreed that this was a practicable proposition if clauses were inserted in the Prospectus, the Deed of Settlement and every policy.

A Court of Directors was called for June 29th, and the Chairman reported the progress made by the Committee in the details of the scheme, and mentioned that difficulties had arisen already with the new Marine Insurance Bill, inasmuch as the Lord Chancellor had introduced certain clauses in the House of Lords which did not meet with approval. Thomas Allan (the Company's Solicitor) and John Staniforth had made great exertions to induce the Government to pass the Bill in its original form, and they had meetings with various members of the Government on the subject. In the words of the Chairman “ there was reason to believe that these meritorious exertions had conduced to the exclusion of the Lord Chancellor's obnoxious clauses from the Marine Insurance Bill.”

The revised prospectus which was passed at this Court and issued forthwith is the foundation on which the Deed of Settlement of the Company was based.

*This is the Prospectus referred to in the case
laid before Mr Shawell Dec. 13. 1824.*

THE
INDEMNITY
MUTUAL MARINE ASSURANCE COMPANY.

CAPITAL—FIVE MILLIONS.

DIRECTORS.

ROBERT RICKARDS, Esq. CHAIRMAN.
GEORGE LYALL, Esq. DEPUTY CHAIRMAN.

WILLIAM ASTELL, Esq. M.P.
DAVID BARCLAY, Esq.
CORNELIUS BULLER, Esq.
JOHN WILLIAM BUCKLE, Esq.
RICHARD HART DAVIS, Esq. M.P.
JOHN THEOPHILUS DAUBUZ, Esq.
W. D. DOWSON, Esq.
EDWARD ELLICE, Esq. M.P.
ELLIS ELLIS, Esq.
RALPH FENWICK, Esq.
GEORGE HATHORN, Esq.
GEORGE HIBBERT, JUN. Esq.

JOHN HODGSON, Esq.
JOHN INNES, Esq.
NIVEN KERR, Esq.
THOMAS MURDOCH, Esq.
STEWART MARJORIBANKS, Esq. M.P.
JOHN HORSLEY PALMER, Esq.
ROBERT SCOTT, Esq.
JOHN STANIFORTH, Esq.
ANDREW HENRY THOMSON, Esq.
HENRY USBORNE, Esq.
WILLIAM WILSON, Esq.
SAMUEL WINTER, Esq.

AUDITORS.

THOMAS BENSON, Esq. **SHEFFIELD NEAVE, Esq.**

BANKERS.

SIR PETER POLE, BART. THORNTON, FREE, DOWN, AND SCOTT.

SOLICITOR.

THOMAS ALLAN, Esq. FREDERICK'S PLACE, OLD JEWRY.

At a period when the British Merchants and Ship Owners are in a state of commercial rivalry with other countries, it becomes necessary to combine skill and economy with perfect security in all their operations, and it is obvious that facility in covering themselves from loss arising from accidental or political events, is an object of the first consideration.

THE premiums paid for effecting Insurance by the ordinary means, have always formed a heavy charge upon Ship Owners, who have found that they could insure their property at less expense by a plan of MUTUAL INSURANCE.

ON this principle Clubs or Associations of Ship Owners, have for several years been established in different parts of the country. The utility of the expedient none can doubt, but from the plan adopted in their business, and the want of an available capital, inconvenience has been sustained by those members of clubs whose ships have been lost or damaged, before the amount of the losses claimed could be obtained from the other members. Besides, those clubs could only be limited in their extent, and consequently, on a well known principle of underwriting, the saving must also be limited.

IN order, therefore, to give the benefit of the profits of their own Insurances to Ship Owners and others, or rather to enable them to save serious charges on their property, it is proposed to form a Company, with an adequate capital for MUTUAL ASSURANCE. And as there is an intimate connexion between Merchants and Ship Owners, and it would be to the advantage of

both classes to assist and participate in each other's interests, it is further intended that the Establishment shall be for the mutual assurance of MERCHANDIZE as well as SHIPS, by which every member may benefit in proportion to his Investment in the joint capital, and to the extent of his Insurances. But that the Company shall ONLY insure ships or property which belong exclusively to its OWN MEMBERS, or in which such members may, as co-owners, or in partnership with others, be in any manner interested, or of which they, separately or jointly with their partners, may be consignees, factors, trustees, mortgagees (legal or equitable) or agents, or for the insurance of which they, separately or jointly with their partners, shall be employed as agents; and that every member shall be bound annually to insure a specific sum, which shall be the condition of being or continuing a share-holder in the Company.

It will be one of the leading objects of this Company to establish a more correct principle of adjusting averages upon ships than is acted on at present, and to *indemnify* the assured more fully than is provided for by the usual means of Insurance. The arrangements of the Company, in short, will be adapted to give the greatest possible security to this extensive and important description of property, to afford facilities for undertaking every legitimate object of commerce, and to settle losses and averages with despatch; and, should cases arise involving matter of dispute, to adjust them, if possible, by arbitration.

It is intended to pay all sums due on Losses and Averages within Eight Days after their adjustment.

THE following outline of the Plan of the Company is given; but it will be further matured by the Directors, under the best legal advice, and with the best assistance they can obtain from experienced merchants, underwriters and ship-owners. The shares are to be taken by the subscribers with the express condition, that all further details shall remain with the Directors, who shall be authorized to make such arrangements as may in their judgment be expedient for legally establishing the Company, with such provisions as they shall deem most eligible for attaining that object.

1. THE Capital of the Company shall be Five Millions, to be divided into Fifty Thousand Shares of One Hundred Pounds each.

2. THE Company shall be conducted by twenty-six Directors, and four Auditors.

3. THE right of election will be in the Proprietors who shall have held ten or more Shares, for one year, and every Proprietor of ten Shares shall have one vote, of thirty Shares two votes, of sixty Shares three votes, and of one hundred Shares and upwards four votes. The Directors shall appoint four Auditors within six months. In case of the death or disqualification of a Director, or an Auditor, the vacancy shall be filled up by the remaining Directors till the first Tuesday in July, 1828, when eight of the Directors and one Auditor shall retire, and eight Directors and one Auditor shall be elected by the Proprietors, and on every succeeding first Tuesday in July, the same retirement and election by the Proprietors shall take place. No Director or Auditor will be eligible to be re-elected until he shall have been one year out of office. The Directors shall choose from amongst themselves a Chairman and Deputy Chairman. Each Director shall have one vote at the Board.

4. THE qualification of a Director and of an Auditor shall be one hundred Shares.

5. THE functions of the Board of Directors shall be such as are usual in Joint Stock Companies, and they shall have the appointment and dismissal of all Officers belonging to the Company, except the Auditors.

6. EVERY Share-holder of one or more Shares shall be bound, as the condition of holding his Shares and participating in the benefits of the Institution, to insure annually with the Company a certain sum on ships or merchandize for such voyage or voyages, or for time or other risk, to be approved of by the Board of Directors, and at such current or reasonable Premium as they shall fix; so that the annual aggregate Premiums shall amount to three pounds per cent. at

the least on the specific sum which such Share-holder shall be bound, as in the next clause, to insure annually*.

7. THE sums to be insured annually by the Share-holders agreeably to the last Article, shall be upon the following scale:—

1st Class,	-	-	holding one Share,	shall insure <i>not less</i> than	£500
2d	-	-	two	-	£750
3d	exceeding two Shares and not exceeding five	-	-	-	£1200
4th	-	five	-	ten	£2000
5th	-	ten	-	twenty	£3000
6th	-	twenty	-	fifty	£5000
7th	-	fifty	-	one hundred	£6000
8th	-	one hundred and upwards	-	-	£10,000

8. THAT five pounds per Share shall be immediately paid to the Bankers of the Company by each Proprietor on the number of Shares which, in pursuance of his application, may be allotted to him by the Directors; and the Directors shall be empowered to call for such further proportion of the Subscription of the Share-holders, as they may from time to time deem necessary for the purposes of the Institution.

9. THAT it shall be imperative upon the Directors, if the losses on the settlement of the Accounts of the Company on the first Tuesday in July, in any year, shall appear to have reduced the actual advanced Capital below the sum of £250,000, to make a call upon the Proprietors so as always to keep up the actual advanced and available Capital to at least the sum of £250,000.

10. AN account of the premiums of Insurance and losses of each entire year shall be kept separate and distinct, ending the thirty-first December, and on the first Tuesday in July of every subsequent year, an account shall be stated and settled, of the gains and losses of the antecedent year. And after setting aside out of the premiums of such antecedent year, such a sum as may be deemed proper to meet the risks of such year, outstanding on the first of June, the remainder of that year's profits shall, after payment of the current yearly expenses of the Company, be divided in the following manner; five pounds per cent. (if the profits be sufficient) shall be first set aside and paid upon the sum advanced by each Share-holder, on the calls previously made by the Directors to form the insurance fund, after which, the remainder of the profits shall be divided into six equal parts,—of which ONE part shall be divided equally amongst the Share-holders, in proportion to the shares held by each. But for the purpose of progressively increasing the available funds of the Company, such one sixth part shall not for the first seven years be paid over to the Share-holders, but shall accumulate and form part of the Company's Capital; nevertheless each Share-holder shall receive credit for the Amount of such one sixth part of the profits, which shall be deemed to be part of his Share of Capital, and shall thenceforward carry Interest at five per cent. per annum, and such Interest shall be paid to each Share-holder in like manner as the Interest upon the sum or sums actually advanced by him. At the expiration of the first seven years a general Meeting of the proprietors shall be held, who shall determine whether one sixth part of the annual profits shall thenceforward be annually divided and paid to the Share-holders, or shall continue to accumulate and be added to the Capital, and during the first seven years the amount of the appropriations shall be annually reported for the general information of the Members of the Company—THREE other of such parts of the annual profits shall be divided amongst the Share-holders, in proportion to the amount of premiums upon insurances, which each Share-holder shall have effected with the Company during the antecedent year ending thirty-first December,—and the remaining two parts shall be divided amongst the Share-holders, in proportion to the amount of premiums they shall pay to the Company upon beneficial accounts.

* In allusion to Clauses 6. and 7. it is to be understood by the Proprietors, that they may effect their Insurances in such Sums, and at such periods during the year, as may be most convenient, and at any rates of Premium applicable to the nature of their risks, so that in the aggregate the amount will be £3 per cent. upon such Sum as they are called upon to insure, according to the number of shares they may possess.

11. THE Premiums of Insurance of the year in which the legal establishment of the Company commences, shall be carried over to and incorporated with those of the subsequent year.

12. THE Premiums of every year, ending the thirty-first of December (when credit is given by the Company), will be considered due on the first of June following. Such assurers as may pay their Premiums in anticipation will be allowed a proportionate discount.

13. IT shall be the province of the Auditors to inspect the books of the Company, and unite with the Board of Directors, in adjusting and approving the Accounts of each year, and the amount of the fund to be set aside, on the first Tuesday in July annually, to meet the outstanding risks of the antecedent year. An Abstract of the Accounts shall be submitted annually to the Proprietors on the first Tuesday in July every year.

14. IN case of any dispute arising between the assured and the Company, the assured shall have the option of referring the matter to arbitration.

15. IT is intended that no individual Share-holder shall be liable beyond the amount of his Shares in the subscribed Capital, and that the Funds alone shall be answerable to the insured.

16. The Directors shall be at liberty to commence making insurances before the allotment of the whole of the Shares shall be finally determined on, or the Deed for forming the Company is fully completed, which, however, will be completed without loss of time for the signature of the respective shareholders.

17. A CLAUSE SHALL BE INSERTED IN THE DEED FOR FORMING THE COMPANY TO PUT AN END TO THE COMPANY, IN CASE THE LEGISLATURE SHALL PASS ANY ACT BY WHICH EACH PROPRIETOR SHALL BECOME ANSWERABLE FOR MORE THAN THE AMOUNT OF HIS SUBSCRIPTION FOR SHARES, IN WHICH CASE THE ACCOUNTS OF THE COMPANY SHALL BE SETTLED AS SOON AS POSSIBLE, AND EACH PROPRIETOR SHALL BE PAID HIS PROPORTION OF THE BALANCE.

London,
29th June, 1824.

CHAPTER IV.

The Marine Insurance Act, 1824

THE Act known as 5 George IV., Cap. CXIV., is the instrument whereby a monopoly, which had existed for 104 years, was finally ended. It was "An Act to repeal so much of an Act of King George the First as restrains any other Corporations than those in the Act named, and any Societies or Partnerships from affecting Marine Assurances and lending money on Bottomry."

A new Government had taken office since the Parliament of 1810 had ignored the report of its Select Committee, and the new House was disposed to adopt a different attitude towards the findings of that committee.

On May 17th, 1824, Thomas Fowell Buxton, M.P. for Weymouth (a member of the firm of Truman, Hanbury & Co.), introduced a short Bill for the repeal of 6 George 1. He produced some powerful arguments against any kind of monopoly in marine insurance. "A man might insure his life or his house wherever he pleased, a man might insure his ship while building, or when in port, wherever he thought fit; but when she proceeded to sea he was compelled to seek that insurance which perhaps he considered the least eligible." In spite of considerable opposition, suggesting that Lloyd's would be ruined and that the present companies ought to be protected unless it could be proved that they had been hurtful, the Bill was read a first time.

At the second reading on May 28th, Lloyd's, the Royal Exchange, and the London Assurance were represented by counsel, who put their arguments against the Bill. Further speeches were made by its opponents, but the motion to commit the Bill was carried by 51 votes against 33. The Bill passed through Committee and Report stages on June 3rd and 11th, and on the 14th the third reading was carried by a majority of 44 (59 to 15).*

* Hansard gives the figures in this division as 559 to 159, but as the number of seats in the Commons was only 658 he is obviously incorrect. Frederick Martin quotes Hansard, but the above figures are taken from the Journal of the House of Commons.

On June 17th, in the House of Lords, Lord Bexley moved the second reading, but on the 18th, on the order for committing the Bill, the Lord Chancellor (Eldon) announced his intention to introduce clauses "to make the Bill as little injurious as possible," and on June 21st, he produced clauses which would have completely spoiled the Bill. By the first it was to be enacted that "it shall not be lawful for any society or partnership composed of more than six persons . . . to contract or agree for the insurance of any ship or goods, or of any interest therein until a memorial shall be enrolled on oath in the High Court of Chancery containing the names and descriptions of the several members of such partnership or society," and upon the transfer of any shares "a memorial thereof shall be enrolled in like manner within three months of such transfer."

The second clause ordered that "any member or members of such partnership or society whose name or names shall be expressed in any such enrolment as aforesaid, shall be, and shall continue, liable in law and equity to all actions, suits, judgments, and executions for the performance of any contract, claim or demand, made or arising while such persons were members of such partnership or society."

In the third clause it was provided that, to facilitate the "enforcing of just demands against such partnerships or societies as may be formed under the authority of this Act," it should be open to the plaintiff "in any action or suit in equity" to make defendants of "any two persons whose names are so enrolled as aforesaid and such two persons shall be deemed and taken in all Courts of Justice to represent the whole of the members of such partnership or society."

Finally, the fourth and last clause enacted that "when any such partnership or society shall consist of more than six members, it shall be lawful for them to sue in law and equity by the Secretary or any member thereof on behalf of the partnership."

The Earl of Liverpool, the Head of the Government, threw his weight into the scales in favour of the Bill, and the Lord Chancellor withdrew his clauses.

The Marine Insurance Bill received the Royal Assent in its original form on June 24th, 1824.

CHAPTER V.

John Staniforth's Scheme

THOUGH to many the details given in this chapter may be dull reading, it is written with the object of placing on record the unique conditions on which the Company was originally founded. Those who are sufficiently interested to visualise such involved procedure will not be surprised that it was abandoned after three years.

The scheme on which the Company was based was both complicated and peculiar. It proposed to form a Company with a Capital of £5,000,000, to be divided into 50,000 shares of £100 each. £5 per share were required to be paid on application, and every shareholder was compelled, as the condition of holding his shares, and participating in the benefits of the institution, to insure annually a certain sum in proportion to his holding. According to the prospectus:—

" A holder of 1 share should insure not less than	£500
" 2 shares „ „ „	750
" more than 2 and less than 5 „ „ „	1,200
" „ 5 „ „ 10 „ „ „	2,000
" „ 10 „ „ 20 „ „ „	3,000
" „ 20 „ „ 50 „ „ „	5,000
" „ 50 „ „ 100 „ „ „	6,000
" „ 100 shares and upwards „ „ „	10,000

so that the annual aggregate premium on such sums shall amount to £3 per cent. on the specified sum."

These conditions explain what has puzzled many friends of the Indemnity in later years—the word **MUTUAL** in the title of the Company.

The scheme was further complicated by the method adopted for the division of profits (if any).

A fixed percentage of interest (5 per cent.) was paid on the amount paid up on the shares and also on any proportion of the profits which

might, in any future years, be added to the paid-up amount as a bonus. Any profits remaining after this payment were to be divided into six equal parts to be allotted as follows :—

One sixth to each shareholder in proportion to his holding, to be added to the amount already paid up (for the first seven years). This amount to carry 5 per cent. interest.

Two-sixths to be divided among the shareholders “in proportion to the amount of premiums they shall pay to the Company upon beneficial accounts.”

Three-sixths to be divided among the shareholders in proportion to the amount of each shareholder's current year's premiums.

Each underwriting year created a separate and distinct fund which could not be used, if there were a profit, to offset the loss of an unfavourable year ; and a clause in the prospectus (No. 9) made it imperative upon the Directors, if the losses in any year appeared to have reduced the “actual advanced capital” below £250,000, to make a call on the proprietors to keep up the Capital to at least that sum.

In the allotment letter addressed to a new proprietor, details are given of the four separate and distinct classes of discount allowed on the business done with the Company.

1. The Assured who prefer taking credit, and transacting their business on the principle of the Company, will be allowed 5 per cent. on their premiums, a further proportion of the profits on the amount of their premiums, and a further proportion, according to the profit on their business, as detailed in the prospectus.
2. The Assured who prefer paying premiums under discount, but who choose to retain their full interest in all divisions of the Company's profits will be allowed £4 per cent. per annum on the premium, from the time of payment to the day when the said premium would be considered due.
3. The Assured may, if they prefer it, compound for the three-sixth and two-sixth shares of the profits on the terms of receiving 5 per cent. allowance on their premiums, and 12 per cent. on the balance of their accounts. In this case they will, of course, relinquish their shares of three-sixths and two-sixths of the profits, but will retain their shares in the one-sixth of the profits.
4. The Assured who prefer paying cash, will be allowed 5 per cent. and 10 per cent. for cash payment, the Assured relinquishing his claim to three-sixths and two-sixths divisions as in the former case, but retaining his advantage as a Shareholder.”

Some twelve pages of the minute book are filled with calculations intended to elucidate this scheme, and to show the exact return each proprietor should receive under each of the four methods of discount. An estimated underwriting profit of 25 per cent. on each year is the basis of the calculations, but it is very doubtful if these results were approached in practice.

Whatever may be thought of this scheme, it is impossible not to be impressed by the colossal industry devoted to its elaboration, and by the amount of pains which the founders of the new Company were prepared to take in working out all the details of its constitution.

CHAPTER VI.

Organisation

AFTER the Court of Directors on June 29th, the Committee of Management met daily, and, with the company's solicitor in attendance, prepared Rules and Regulations for the guidance of Directors and Staff. They appointed the necessary staff and formed committees in readiness for the opening of offices for business as soon as possible after the passing of the Marine Insurance Bill. Staniforth's plan was discussed in all its detail, and a set of books was prepared for the reception of each kind of business.

The meeting of the Committee on July 17th made the following very important recommendations :

1. That a Committee of General Management be nominated for forming Rules and Regulations of the Society, to consist of eleven Directors, including the Chairs and the Managing Director, and that all questions connected with the finance and state of insurance accounts be likewise referred to this Committee. The members to continue in office for one twelve-month and then to be succeeded by other Directors in regular rotation.
2. That a Committee of Insurances be also appointed, consisting of six Directors, who will give daily attendance for one month at a time in rotation.
3. That a Managing Director of Insurances be appointed, with an assistant (especially intended for the adjustment of losses and averages and immediate attention to all branches of information requisite for the Company) to be always present.
4. That the Daily Committee be empowered to transact and decide upon the current business of the Company as the same shall from day to day occur, *to fix the premium on each risk*, but with reference always to the rates prevailing at Lloyd's and other Insurance Offices, and take, without reference to the General Court, a sum upon such risks as may be proposed and the Committee approve, not exceeding

£ 5,000	on the issue of	10,000	shares
£10,000	„ „	20,000	„
£15,000	„ „	25,000	„
and £20,000 when complete			

and in proportion for any intermediate number of shares.

This organisation is characteristic of the methods adopted at the time by other insurance companies, and the books of the Company prove that it soon came to be considered cumbersome.

It is impossible to imagine an underwriter of to-day submitting the risks offered to a committee of six Directors before quoting a rate for them.

At the same meeting the following establishment was recommended :

- " One Secretary.
 - " One Accountant (for the general concerns of the Company).
 - " One Book-keeper (for distinct application and attention to every branch of the Underwriting Books).
 - " One Junior Clerk.
 - " One Porter.
 - " And a professional person—shipwright—as Surveyor for special purposes be engaged and paid as occasions arise for the services performed."
-

CHAPTER VII.

The Commencement of Business

THE first General Court of Directors was held on July 22nd, 1824, and came to decisions which were of paramount importance. The meeting lasted from twelve noon until 3.30 p.m., and the minutes occupy 23 pages of the Minute Book. The cases which had been put to various counsel, and the opinions given, were read in full detail, and were "maturely considered," and it was unanimously determined to carry out the proposed plan of forming the INDEMNITY MUTUAL MARINE ASSURANCE COMPANY *without further delay*.

The Court resolved to commence business before the whole of the shares were disposed of, and to give public notice of their intention to open a temporary office at 36, Great Winchester Street, on *August 9th*.

This decision definitely establishes the fact that the Indemnity Company was the first to open for business after the passing of the Marine Insurance Bill of 1824.

Frederick Martin ("History of Lloyd's and Marine Insurance in Great Britain," 1876) gives the impression that the Alliance Company was the first to write Marine risks after June 24th, 1824, being followed "some months later" by the Indemnity, whereas the Alliance British and Foreign Fire and Life Assurance Company did not *announce* its intention of opening a Marine Office until August 10th, 1824, when an advertisement was inserted in the papers stating that Marine business would be accepted on and after *September 1st*. One of the Alliance shareholders, Natusch, an Underwriter at Lloyd's, then brought an action against that Company in the Chancery Court, and claimed that the money which he had subscribed to a Fire and Life Company could not be used for Marine business. Lord Chancellor Eldon tried the case and gave a verdict for the plaintiff Natusch. In consequence of this judgment an entirely separate Company, the Alliance Marine

Assurance Company, was formed in *December*, 1824. Martin, therefore, is incorrect, but his error is excusable as he explains that he was unable to obtain any facts from the Board or Secretary of the Indemnity in spite of repeated applications.

The Indemnity Court of Directors of July 22nd gave instructions for an advertisement to be inserted in the papers announcing the date for opening business, but one of the Directors, George Hibbert, jun., obtained permission from the Board of *August 4th* to open a policy with the Company, thereby definitely fixing the date of the first risk.

CHAPTER VIII.

Duties and Methods

HOWEVER humorous may be the idea of a Committee sitting daily to discuss the risks offered to the young Indemnity, there is no doubt that the gentlemen who nursed the infant through its early struggling years set about their task with grim determination. The Committee of Management spent many hours at each sitting discussing every smallest detail, and evolved an alarming list of Rules and Regulations, and the Secretary was instructed to make it his business to see that they were rigidly adhered to. No member of the staff was entrusted with the opening of a single book until the system on which it should be kept had been confirmed by a full Board of Directors. Some schemes were tried for a time, only to be cast aside, others were commenced, and, as their values were proved, they were further discussed and enlarged.

The Daily Committee was limited in its power to take risks to £6,000, with two exceptions—Indiamen and Government “Pacquets”: £10,000; and Men of War: £15,000—but at the end of the first four months the general limit was raised to £15,000.

All claims were submitted first to the Managing Director (or his assistant), then to the Daily Committee, and further, “all claims of a doubtful nature” were placed in the hands of a special committee.

The letters were opened by the Secretary, who passed them to the Managing Director for his comment “on a separate slip of paper.” The letter and the proposed answer were placed on the table for the perusal and agreement of the Directors in attendance. Cheques and policies were signed by three Directors and counter-signed by the Managing Director, and it was proudly announced that policies were ready for the proprietors five days from the date of placing the risk.

Within a short period three more committees sprang into existence—The Deed Committee, the Shipping Mortgage Committee, and the Committee of Accounts.

JOHN



"FOR GOD, THE KING, AND THE PEOPLE!"

BULL.

VOL. IV.—No. 34.

PRICE OF STOCKS AT THE CLOSE, SATURDAY.

The English money market this week has undergone considerable improvement, Consols for Account having been so high as 94½, a rise of 1½ per cent. this week: this morning they opened at 93½, and at the close were 93½. In the Foreign Securities the variations this week have been very trifling. There being no arrivals from South America this week, has prevented the speculators from operating much on the Securities of those States, and the prices, consequently, about the same as last week. Colombian Bonds at 81½, 82; Scrip, 41, 43 discount. Chilian Bonds, 79, 73; Mexican Bonds, 52½, 51; Spanish Bonds, 24, 21, 3 per Cent. Red. . . 94½; India Bonds . . . 80, 82 pm. 3 per Cent. Consols . . 93½; 4 per Cent. . . 43, 38 ½ pm. 3 per Cent. ditto . . 101; 4 per Cent. . . 40, 38 40 New Year Cent. . . 106½; Small . . . 40, 38 40 Long Annuities . . 23, 16ths 1

LATEST NEWS.

Frankfort papers arrived yesterday. An article from Florence, dated July 26, states that the Duchess of Parma landed at Leghorn on the previous day.—We also received some additional Jamaica papers. We extract the following from the *Chronicle* of the 26th of June:—

"GAZETTE EXTRAORDINARY."

"Montego-Hay Gazette Office, 8 o'clock, June 23, 1824. "We are much gratified in being able to congratulate the country on the intelligence which has been just received from the interior; through a respectable gentleman of this parish, who left Antigua about an hour since, and states that there are at present four of the Golden Grove negroes out of the plantation of the Western Interior, procured by the detachment of the St. James's Militia, now stationed at Montserrat, to-night or to-morrow morning, unless any thing not now contemplated occurs, and thinks it is likely that the day after the greater part of the militia in that district may be allowed to return to their homes, the Maroons being expected to arrive to-night. We are happy also to state that there is not the smallest foundation for attaching anything like suspicion to the negroes belonging to Mr. C. R. Ellis, in that quarter; on the contrary, their conduct has been meritorious, and a few of them have been employed in pursuit of the runaway. We have every hope, therefore, that an illustration which has,

SUNDAY, AUGUST 22, 1824.

INDENITY MUTUAL MARINE INSURANCE COMPANY.

DIRECTORS.

George Lyall, Esq. Chairman.
Robert Bicker, Esq. Deputy Chairman.
William Astell, Esq. M.P.
John Wm. Buckle, Esq. M.P.
Richard Hart Davis, Esq. M.P.
John T. Dobson, Esq.
William D. Dawson, Esq.
Edith Ellis, Esq. M.P.
Ralph Fenwick, Esq.
George Hathorn, Esq.
George Hibbert, jun. Esq.
Thomas Benson, Esq.
AUDITORS: Sturges, Ward, & Scott.
BANKERS: Sir Peter Pole, Bart. Thornton, Free, Down, and Scott.
SOLICITOR: Thomas Allan, Esq. Frederick's Place, Old Jewry.

The principle upon which the Company is formed is adapted to give Proprietors the advantage of covering themselves from loss under every circumstance of legitimate commerce. In its operation every Proprietor will also benefit in proportion to the number of his Shares, and to the Insurance he may effect with the Company. The Company will insure Ships and Goods of Shareholders at moderate Premiums; the Stamp Duty will be advanced by the Company; and, in addition, the Company will pay a large proportion of the loss to which the assured may be liable. In the event of Ships unintentionally damaging or running down other Ships, the Company will pay a large proportion of the loss to which the assured may be liable. In cases of repairs to any Ship, no deduction will be made for the difference between the actual cost and the sum insured. On the Company being satisfied that the Ship is sea-worthy, a declaration to that effect will be inserted in the policy. Shareholders must insure according to a scale contained in the Prospectus (which Prospectus, together with a form of Policy, may be obtained of the Office). Several modes of settling Premiums have been arranged, which embrace greater advantages than can be obtained elsewhere. Further explanation will be given at the temporary Office of the Company, No. 36, Winchester-street, corner of Old Broad-street.

MEDICAL, CLERICAL, and GENERAL LIFE ASSURANCE SOCIETY.
PRESIDENT—The Marquis of HUNTLY.
VICE PRESIDENTS.

Price 7d.

JUST PUBLISHED, price 10s. 6d. plain, 11s. 1s. coloured, **IZARD'S ANATOMICAL PLATES**, Part V., containing 20 supplemental Plates of HERNIA, from a Dissection MADE and PREPARED BY SIR ASTLEY COOPER to the Author.—Published by S. HATCHARD, 174, Fleet-street, London: and D. LEACH, Edinburgh.

A FREE INQUIRY INTO THE MIRACULOUS POWERS which are supposed to have subsisted in the Christian Church, from the earliest ages through several successive centuries. To which is added, the AUTHOR'S LETTER FROM ROME. By CONYERS MIDDLETON, D.D. Principal Librarian of the University of Cambridge.—Printed for Sherwood and Co., 20, Pall-mall; and for the Author, at the University Press, Cambridge. The work is written with the most judicious and impartially claiming for their Church the power of working Miracles, and when the Public Journals of Europe are filled with the asserted Miracles of Prince Hohenlohe and various Catholic dignitaries. It is a public duty to provide the Christian world with an antidote; and none ever so useful as powerful, erudite, and irresistible, as the famous free inquiry of Dr. Conyers Middleton. The work is published in a neat and elegant form, and becomes scarce and dear. As the present Edition is limited in number, early applications are recommended.

WRITING PAPER, cheap and of the best quality, at lower prices than ever yet offered to the public.—Bath post 4d. per quire; 7s. 6d. 10s. 6d. 12s. 6d. 15s. and 17s. 6d. very best hot-pressed Bath gilt, 1s. 1d. the quire, 8s. 6d. 10s. 6d. 12s. 6d. 15s. and 17s. 6d. the quire; the same in WHATELAIN'S superior manufacture; the same in the superior folio 32, 1s. 2d. 1s. 3d. and 1s. 4d. a quire, or by the ream; 21s. 24s. and 28s. a very best bank post 10d. the quire, or by the ream; large ditto, 1s. the quire, or 18s. the ream; best ruled thick post copy books, 5s. 6d. per dozen; foolscap ditto, 3s. 6d. per dozen; 12s. best cyphering books, 14s. per dozen; 18s. per dozen. The same in 24 sheet do.; very best ruled paper, 4d. each, or 3s. per dozen; plaid paper, 4d. each, or 3s. per dozen; drawing paper, and Bristol boards, in great variety; excellent 7d. a quire, or 11s. a ream; at H. and W. SALTHERS, 192, Strand Second House from the Crown and Anchor Tavern.

HAWKINS' PATENT PORTABLE and FIXED WATER CLOSETS.—Encouraged by the great success their invention has met with, S. HAWKINS and Co. have produced, as the most simple and effectual ever produced for preventing the escape of noxious effluvia. The Portable Water Closets are strongly recommended by Medical men of the first respectability, who are of opinion that no bed room or ship cabin ought to be without them.—Water Closets, with all the Apparatus, ready fixed for the East or West India.—A large assortment to be seen at the temporary Office, 36, Fleet-street.

SALES BY AUCTION of the SALLYBURY ARMS, Hertfordshire.—By Mr. KIMMINGTON, at 10 o'clock, on FRIDAY, the 24th of SEPTEMBER, 1824.

A temporary Deed "covenanting to pay the premiums to the Directors, to be signed by the subscribers respectively as the policies were taken away," was placed in the office on September 1st, 1824. It is a parchment roll three yards long, and, strangely enough, is undated.

The Committee appointed to discuss the permanent Deed commenced its task on January 6th, 1825 with an eight-hour sitting. They held many meetings of similar length, and evolved, with the guidance of counsel, a wonderful parchment book with 171 clauses and the 223 signatures of the holders of 12,799 shares. Supplementary Deeds, included in this book, were prepared for those who became subscribers after the date of the original Deed, July 4th, 1825.

The Shipping Mortgage Committee was empowered to lend up to £10,000 on "whole ships" at 5 per cent. interest, but its duties were handed over to the Committee of Management within a year.

The Committee of Accounts commenced its duties in a whole-hearted manner by giving the Board a full description of the work in the office and the duties of each member of the staff. For the sake of contrast with present methods it may be interesting to give the details of the progress of a risk till the policy was taken from the office. The following is taken from a report of the Committee of Accounts to the Board, dated March 26th, 1828 (after the "mutual" scheme had been abandoned).

"POLICIES.—The slips, or memorandum for policies, are daily examined by Mr. William Ellis to see what stamps are necessary for the risks taken, and a list stating the proper description is made by the Assistant in the Underwriting Department, who hands it to the Policy Writer. The blank policies are then looked out by him and marked in pencil with the stamp required on each. These are given to the messenger to procure the stamping thereof the next morning, and the Accountant gives him the money to pay for the same. The Messenger carries a list thereof to the Stamp Office, made out by the Policy Writer in conformity with the beforementioned description. This is copied in a book kept by the Assistant in the Underwriting Department and forms a check for money disbursed and charged for stamps in the Petty Cash Book—the whole is checked by Mr. Wm. Ellis.

"When the policies are brought back duly stamped, they are filled up by the policy writer in conformity with the original slips, from which the particulars of the insurance had previously been entered in the risk book by the Assistant in the Underwriting

Department, thus forming a check on the policy writer's calculations, who attaches a ticket to each policy, showing the gross amount of premiums, the brokerage to be deducted, and the stamp to be added. The policies are then carried to the Underwriting Department for final examination by Mr. Wm. Ellis and his Assistant, and thereupon numbered in conformity with the risk book, they are then sealed and presented to the Daily Committee for the signatures of the Directors, after being witnessed by the Secretary, they are returned to the policy writer, who enters them in the delivery book, and, when issued, the party receiving them signs the said book, the date of taking them away being previously inserted."

CHAPTER IX.

The Original Directors

THE first Directors who, by such strenuous labours, carried the Indemnity Company through its precarious early existence merit a separate chapter.

Robert Rickards, the first Chairman, was a member of the merchant firm of Rickards, McIntosh & Co. He was also a Director of the Guardian Assurance Company, and there is little doubt that as Chairman he held a tight rein. Having seen the Company through its opening phases, he took a holiday in Bath in October, 1824. He returned so full of vigour in January, 1825, that he proceeded to tell the Board at length his opinion of their neglect of rules and regulations in his absence. He dissected the minutes from the beginning of the Company and embodied them in a minute of his own which occupies seventeen pages ; informed the Board that "some alterations have occasioned a chasm and may lead to inconvenience if not timely remedied," that "the strict observance of prescribed forms, orders and regulations is indispensable," and that "in our public office numerous details are requisite . . . in which regularity and order are of vital importance, but these are unobtainable without the observance of prescribed forms." His masterly speech at the first Annual Meeting of the Company is referred to in a later chapter. In 1831 he was thanked for his long and useful services in the Chair, and three years afterwards retired from the Board. It is probable that he became one of the first Commissioners under the Factory Act in Manchester.

George Lyall, the first Deputy Chairman, who succeeded Robert Rickards in 1831, held the Chair for a record number of years, retiring through ill-health in 1852. On his death, eighteen months later, his son presented to the Company a portrait which still hangs in the Board Room. George Lyall presided at the first meeting held to propose a new Register of Shipping in 1823 and, with another Director, John

Buckle, represented the Shipowners on the Committee which was responsible for the formation of Lloyd's Register. He was Member of Parliament for the City of London in the Conservative interests in 1835 and 1841 ; Deputy Chairman of the Guardian Assurance Company, a Director of the Anglo Mexican Mining Association, and a member of the Committee for the relief of the sick and maimed seamen in the Merchant Service.

William Astell, M.P. for Bridgwater, from whom the Company rented its first offices, was a Director of the Russia Company and of the East India Company.

Cornelius Buller was Governor of the Bank of England in 1825, and David Barclay, J. Horsley Palmer and A. H. Thompson were Directors of the Bank.

Edward Ellice, M.P., was a member of the firm of Edward & Russell Ellice & Co., of Leadenhall Street, and was the Member of Parliament for Coventry. He was opposed in 1820 by William Cobbett, when he polled 1,116 votes to Cobbett's 330.

Stewart Marjoribanks, M.P. for Hythe, was the first Chairman of the Guardian Assurance Company, and in addition to Robert Rickards and George Lyall, W. D. Dowson and A. H. Thompson were members of that Board. Stewart Marjoribanks was also Vice-President of the Equitable Loan Bank Company in 1825 and, together with David Barclay, Cornelius Buller, J. W. Buckle, R. Hart Davis, M.P. for Bristol, and George Hathorn, was a Director of the Australian Agricultural Company.

John Theophilus Daubuz was the Treasurer of the Turkey or Levant Company of the South Sea House.

John Innes was a Director of the Alliance Assurance Company and a Commissioner of the Exchequer Bill Loan Office.

Ellis Ellis, of 2, over the Royal Exchange, was the father of William Ellis.

William Wilson was a member of the firm of Thomson Hankey and Co., and, with George Hibbert, still holds the record of forty-five years' service on the Board of the Company. William Wilson occupied

the Chair from 1862 to 1867, and in those days he was frequently seen in the office encouraging the juniors on the staff by his kindly criticism, and inspecting the writing of all and sundry. The connection between the firm of Thomson Hankey and the Indemnity Board has continued over the whole century, the present Deputy Chairman being a member of the firm.

There remain to be mentioned Ralph Fenwick, a Coal Factor, of St. Mary-at-Hill ; Niven Kerr, a Turkey Merchant, of New Broad Street ; Thomas Murdoch, a Moorfields merchant ; also Robert Scott, Samuel Winter and John Hodgson, a merchant, of St. Helens Place, who was the father of a later Chairman, Kirkman Daniel Hodgson, and grandfather of Robert Kirkman Hodgson, a Director from 1891 to 1909.

Of the twenty-six Directors twenty-two were subscribers to Lloyd's, five having power to appoint substitutes.

The average length of service of the original Directors was twenty-and-a-half years.

CHAPTER X.

Early Years

THE progress of the Company during its earliest years is best described in the words of the Chairman, Robert Rickards, in his speech at the first Annual General Meeting held at the City of London Tavern, in Bishopsgate Street, on Tuesday, July 11th, 1826.

“ In conformity with the Deed of Settlement, the Board of Directors submit to the Proprietors the following report of their proceedings in which they are desirous of presenting an explicit statement of the concerns of the Company since its commencement.

“ The Proprietors will be aware that in the formation of a new Marine Assurance Company upon the plan set forth in the Prospectus, many difficulties were to be encountered, but the Directors have the satisfaction of being able to state that a regular progressive advance has been made towards the success of the Company from the period of its establishment, and they have reason to entertain a well-founded expectation of the complete accomplishment of their object, when the principles of the office are more completely understood.

“ The business commenced on the 9th August, 1824, with every prospect of success from the numerous and respectable parties who have opened accounts at the current rates of premium.

“ It will, however, be in the recollection of the Proprietors that the Autumn of that year was one of the most disastrous in respect of sea losses in the European Seas perhaps ever known, and therefore this Company could not be expected to escape the general calamitous consequences.

“ The heavy losses of the Company were mostly on the best description of risks ; many first-class ships with experienced commanders, never having been heard of, were supposed to have foundered in the memorable gales of the 18th, 22nd, and 26th November, 1824.

“ In addition to the numerous sea losses, the East India Company's regular ship *Kent*, insured at this office for £10,000, was burnt on her outward passage. Such a commencement, therefore, cannot be considered as a fair criterion by which to estimate the future success of the Company.

“ In fact, the period comprised in this report on sixteen and a half months includes two Autumns and Winters and only one Summer, and although the four and a half months of 1824 proved, as above stated, so disastrous, the business in the year 1825, taken separately, would leave a considerable profit.”



*The Burning of the KENT 1825.
From an old print.*

Accounts were presented at this meeting showing a premium income to the end of 1825 of £272,214, against which £228,807 had been settled for "losses, averages and returns of premium." Expenses, bad debts, discounts and interest to Proprietors were also set off against this amount, leaving a balance of £21,077, or $7\frac{1}{2}$ per cent. of the premiums, for all future claims. This does not seem to be a very healthy position, but risks ran off much more quickly in those early days.

The situation was complicated by Clause 9 in the prospectus which had been incorporated in the Deed of Settlement. Under this clause a call of 13s. 6d. per share was imperative, but a number of the Proprietors at the General Meeting considered the financial situation sufficiently strong to warrant cancelling the clause, and a resolution to that effect was put to the meeting and carried. However, the Directors were agreed that the call was expedient, if not essential, and the first Extraordinary General Meeting called to rescind the clause concluded with a vote of thanks to the Chairman, who had persuaded them that the future strength of the Company depended on the conservative attitude of the Board.

In accordance with this decision the call of 13s. 6d. was made forthwith, and it was arranged that the 5 per cent. interest on the original call of £5 could be credited to the call account if desired. Unfortunately, the current trade depression prevented some shareholders from finding the necessary amounts, and they suffered the consequent forfeiture of shares.

CHAPTER XI.

The Mutual Scheme Rescinded

EARLY in 1827 John Staniforth retired from his post as Managing Director, and William Ellis was appointed Underwriter and Manager in his stead.

Soon after this the Directors came to the conclusion that the complications of the original scheme limited the scope of the Company to such an extent that any great success was impossible. The later eighteen-twenties were years of business depression, and it was considered essential to eliminate from the Deed all clauses which prevented the Underwriter from taking the largest possible amount of good business.

In accordance with these conclusions the Directors recommended to the Annual General Meeting in July, 1827, that :

1. The mutual arrangement be rescinded and the Company accept risks from the public generally.
2. The obligation on Proprietors to insure an amount in each year in proportion to their share holding be eliminated.
3. The number of shares be limited to those issued up to October, 1827.
4. The system of compounding the profits be altered, the profits being divided in proportion to shareholdings and not according to the amount of business done.
5. Each year's account be kept open for four years and not closed at the end of eighteen months as had been the arrangement previously.

These resolutions eliminated all the complications of the original scheme, and a fresh start was made on the normal basis of a Company with a fixed Capital, catering for the Marine Insurance public generally and dividing its profits among its shareholders in the usual manner.

CHAPTER XII.

35 & 36, Great Winchester Street

THE Indemnity Company has spent its century of years in, or on the borders of, Old Broad Street, owning during that period two sites of great historical interest.

The street which is called Broad, even though we may consider that a misnomer, was of considerable width when compared with streets of the same age, for no widening operations of any magnitude have been carried out since the Fire of London.

The discovery in 1854 of a magnificent tessellated floor 28 feet square, dating back to the Roman period, suggests that it was inhabited by the aristocratic community in those days. In the time of Charles I., it was one of the most fashionable streets in London, the place of residence of several of the nobility, amongst others the Earls of Shrewsbury, the Careys, Barons Hunsdon, the Earls of Dover, the Westons, Barons Weston and the Earls of Portland. In the eighteenth century it became the "Harley Street" of London, many famous doctors having their houses there. The early part of the nineteenth century was a transitional period, and at the date of the birth of the Indemnity Company the street housed some of the richest merchant firms of the City.

The first meeting of City men to discuss the formation of the Indemnity Company was held at 52, Old Broad Street, the office of John and Charles Staniforth, merchants. No. 52, at that date, was a ground floor office on the site of the present Winchester House, and both partners of the firm of Staniforth were present at the meeting, John becoming the first Managing Director of the Company.

When the decision to open for general business was arrived at, the Directors were still without accommodation for the Company, but William Astell, M.P., one of their number, offered a lease of his house at 36, Great Winchester Street, which became the temporary office.

This building was on the corner of Great Winchester Street and Old Broad Street, and was originally part of the area occupied by the London House of the Friars Hermits of the Order of St. Augustine of Hippo, which was founded in 1253. The present Dutch Church is all that remains of the great Church of the Austin Friars, whose buildings and gardens extended from the present archway (originally the South gateway) to London Wall. The churchyard lay between the South gateway and the church, while further burial ground, probably for friars only, lay northward of the Choir, just within their boundary wall fronting Broad Street. When the Indemnity building was underpinned on a concrete foundation at the time of the laying of the Great Winchester Street sewer in 1868, it was discovered that the earlier foundations consisted of trunks of trees. Beneath these a number of remains were found side by side, in regular order, the body at the end of the line being in a crouching position. It is suggested that these were probably the remains of some of the Austin Friars.

At the dissolution of the Augustine Priory, the house and grounds, excluding the Church, were granted by Henry VIII. to Sir William Paulet, the first Marquis of Winchester, one of the foremost men of his age. He was born in 1475, and lived to the age of 97, was Comptroller of the Household to Henry VIII., and Guardian of the young King Edward VI. He pulled down a portion of the priory, built a mansion, which he made his town house, and laid out the grounds afresh. Tudor brick foundations were discovered during demolitions in 1888, defining the position of Winchester House, which lay across the present Great Winchester Street, the space between it and Old Broad Street having been garden ground.

In 1602 the necessities of the fourth Marquis of Winchester were such that he was compelled to part with his house and property in Austin Friars to John Swinnerton, a merchant, afterwards Lord Mayor of London.

The property, which occupied the site between the north side of Austin Friars Square and Great Winchester Street, known as the Clitherow Estate, was acquired by Sir Christopher Clitherow, who was

Lord Mayor of London in 1635, No. 8 having been the town house of subsequent members of the family, one of whom, Colonel Clitherow, sold Nos. 35 and 36, Great Winchester Street to the Indemnity.

When business opened the staff numbered seven, and they used the three "counting houses on the ground floor" of No. 36, but within a year a larger staff and greater accommodation were necessary. William Astell, M.P., then offered the Company the whole of the house, and a neighbour, Mr. Hoggart, was called in to estimate a reasonable rental. This is his description of the accommodation :—

"Extensive premises situate 36, Great Winchester Street, with a considerable frontage to Old Broad Street and entrance from Pinners Court. The premises occupy a considerable site of ground and are in substantial repair. The house contains :

On the upper floor—Four good bedrooms and landing.

Second floor—Five bedrooms or counting houses and a water closet.

First floor—Three excellent, light and lofty offices, spacious landing, stone staircase, two closets and water laid on.

Ground floor—Entrance hall with suite of three counting houses and two water closets.

Basement—A light kitchen, pantry, wash-house, wine cellar, coal room and Butler's pantry."

Such accommodation seemed to allow of considerable growth.

These premises were leased for seven years from March 25th, 1826, at a rental of £350 per annum, the Company paying Rates and Taxes. An interesting list of "Taxes and Outgoings" of this period contrasts somewhat drastically with similar payments at the present day :—

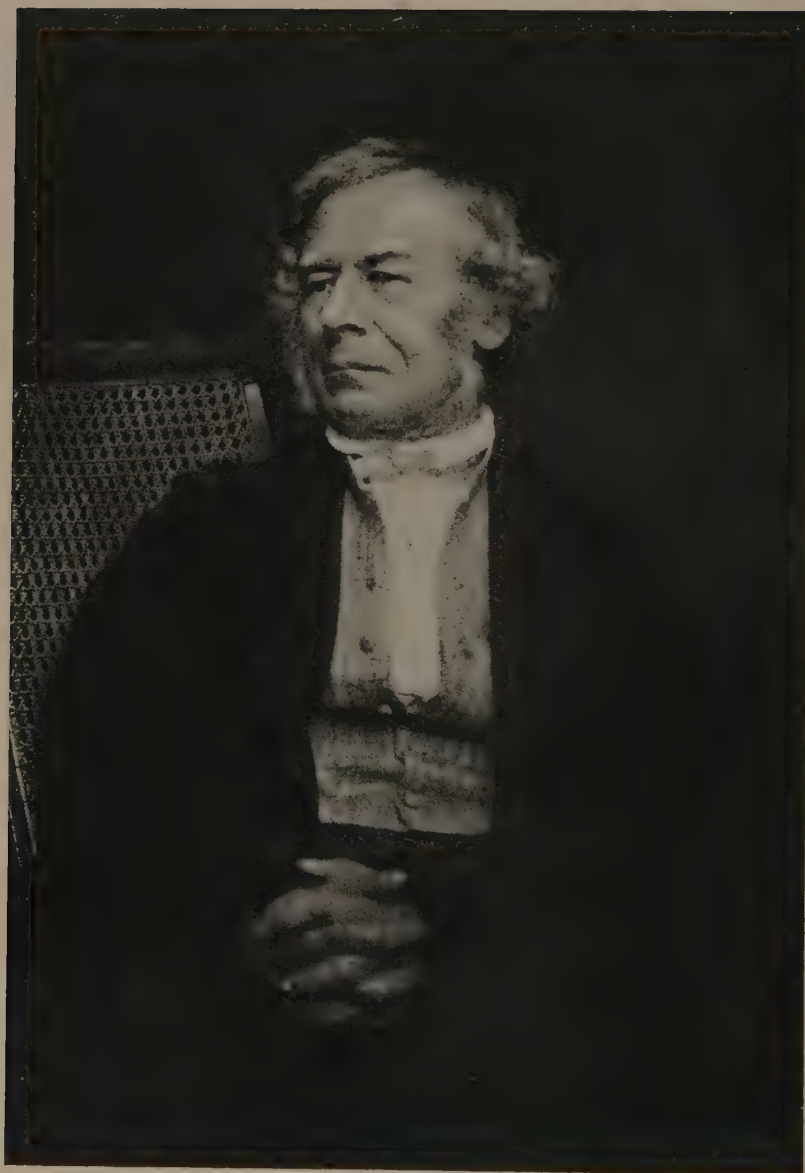
" King's Taxes	£42	0	0
Parish Rates	12	0	0
Tythes	6	15	0
Church	5	12	6
Watch	4	16	0
Sewer	2	0	0
Paving	6	5	0
King's Letter	1	0	0
Ward School	1	1	0
Water Rates	2	8	0
	£83 17 6"		

There was more space than the Company required, and several of the rooms were never used, nor were they let owing to the objection to having "strangers in the house." The upper floors were occupied by successive Secretaries and their families, commencing with George Channer on September 9th, 1829; the last being Charles Corke, who died there in 1887. A tragedy occurred on the premises many years ago, and there are accounts of a ghost whose footsteps were heard frequently but whose form was never seen.

At the end of 1833, the Company bought the remainder of the lease (a term of five-and-a-half years) for £775, and in 1838 the freehold of 35 and 36, Great Winchester Street for about £6,500.

The Big Front Door in Great Winchester Street is said to have been the finest specimen of graining in the City of London.

The Company occupied the house in Great Winchester Street for 63 years, during which period there were many changes among its neighbours. The Excise Office which had occupied a site on the opposite side of Old Broad Street had been pulled down, and the Navy Pay Office had disappeared from the other side of Great Winchester Street, the present Winchester House having risen on its present site. The Company's number was changed to 13 in 1871, but there was little structural alteration (apart from the strengthening of the foundations) during the whole time the Company owned the house. The site was sold in 1888 for £50,000.



WILLIAM ELLIS, Esq.

Underwriter, 1827 to 1876

CHAPTER XIII.

William Ellis

THE appointment of William Ellis as underwriter in 1827 was the turning point in the Company's history. There is no doubt that he was primarily responsible for the ultimate outstanding success of the Company. During his long service of 56½ years it was his commercial genius, his great courage in accepting risk, his promptitude in settling claims, his unfailing energy and untiring devotion, which established the Indemnity on such a sure foundation.

Ellis was appointed assistant to the Managing Director in July, 1824, when he was but 24 years old. Evidence of his early brilliance appears in the report of the Managing Director at the end of 1824 :

“ It is the duty of the Managing Director to acknowledge the very valuable assistance he receives from Mr. Wm. Ellis, whose competence as an Underwriter, and thorough knowledge of every incidental part of the business, in the adjustment of averages, returns for short interest, and double insurances, has enabled him to dispose of every claim which has been made to the present time—And it is peculiarly gratifying to state to the Board, that in the event of indisposition, or other unavoidable absence of the Managing Director, the business of the Company will experience no interruption, and that it may be safely intrusted to Mr. Ellis.”

Eighteen months later the Managing Director was permitted to take six months' leave of absence and Ellis took over the whole responsibility of the Underwriting Department from that time, though his appointment was not made till May, 1827 (the consequent increase in salary dating back to July, 1826). He continued in this capacity until December, 1876, and on his retiring from the Underwriting Chair was elected to a seat on the Board of Directors, which he retained until his death in February, 1881.

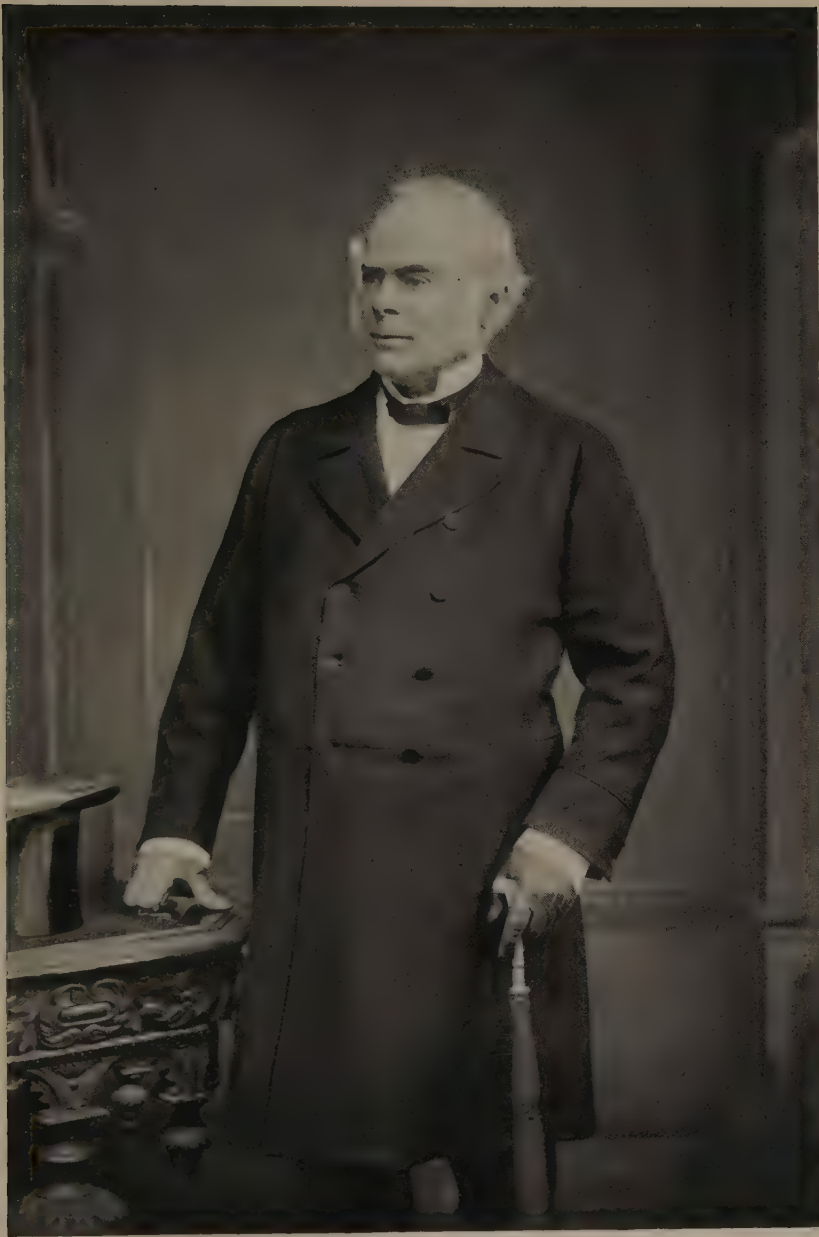
The most successful of Ellis's years were the early 'fifties, the time of the Australian Gold Rush, and later, the time of the Crimean War. He never reinsured a risk, only accepting the amount he was prepared to retain, but his policy was not one of timidity, as in 1854 he paid

one total loss equal in amount to one-sixth of the whole year's premiums.

In carrying out his insurance contracts Ellis always acted in accordance with the spirit rather than the letter, frequently doing voluntarily more than the law would have required of him. One outstanding instance was in connection with the great fire which took place at Memel in 1854. Several of the ships lying in the port were destroyed, and were insured against the usual sea risks with the Indemnity. There was considerable doubt at the time whether such policies would include the burning of a ship at her moorings in port, and a number of Underwriters proposed to resist the claims. William Ellis never hesitated for a moment. He at once announced that he would pay every loss in full, and every other Underwriter was practically bound to follow his example.

A further instance is worth quoting. A ship owner who had insured his vessels for some years with the Indemnity, called at the office to effect sundry insurances, and mentioned that, owing to his absence from town, his clerk had omitted to renew the policy upon one of his vessels, and that she had been unfortunately lost uninsured. Ellis only asked one question : " Did you intend to offer me the renewal ? " " Yes," was the reply ; and before the shipowner left the office a policy for the amount was executed and endorsed for a total loss, which was immediately paid. (This precedent has been followed from time to time.)

Although conducting an onerous business from which he was never absent, except for very short periods in the year, Ellis took a prominent part in the discussions on political economy and the social welfare subjects of the day. To indicate his school of thought it is only necessary to mention that Jeremy Bentham, James Mill and his famous son, John Stuart Mill were his intimate friends. He was an ardent supporter of Middle-Class Education years before Education was established. He founded Birkbeck Schools in many parts of London and Manchester. In Norfolk, and as far north as Scotland, many schools were indebted to his munificence and to his advice and



DONALD LARNACH, Esq.

Chairman, 1881 to 1896

sympathy. This was before the Education Act of 1870 placed Education on Public Funds.

There are few records of Ellis's public work and personal generosity, because he always preferred anonymity.

One of those who came under his influence was Sir Alfred Yarrow, to whom he presented a new lathe, which is one of Sir Alfred's greatest treasures. The following quotation from "The Life of Sir Alfred Yarrow," by Eleanor C. Barnes (now Lady Yarrow) gives another instance of Ellis's practical generosity.

"During his lectures on political economy, Mr. William Ellis had been attracted by the keen interest of young Yarrow, and aware of his difficulty in starting an engineering career, sent him a most charming letter of encouragement, with the offer of £1,000 to enable him to start a workshop, adding, 'If £1,000 is not enough, you can have £2,000.' Only those who have met with unkindness and discouragement upon a very difficult path can realise how much this letter, with its generous offer, did to stimulate the young engineer's efforts; but, although the letter was treasured, the financial help was never accepted."

The influence of William Ellis is traceable in many decisions of the Board, and the rise of the Indemnity to pre-eminence in the Marine Insurance world was almost entirely due to his wonderful personality and unremitting efforts.

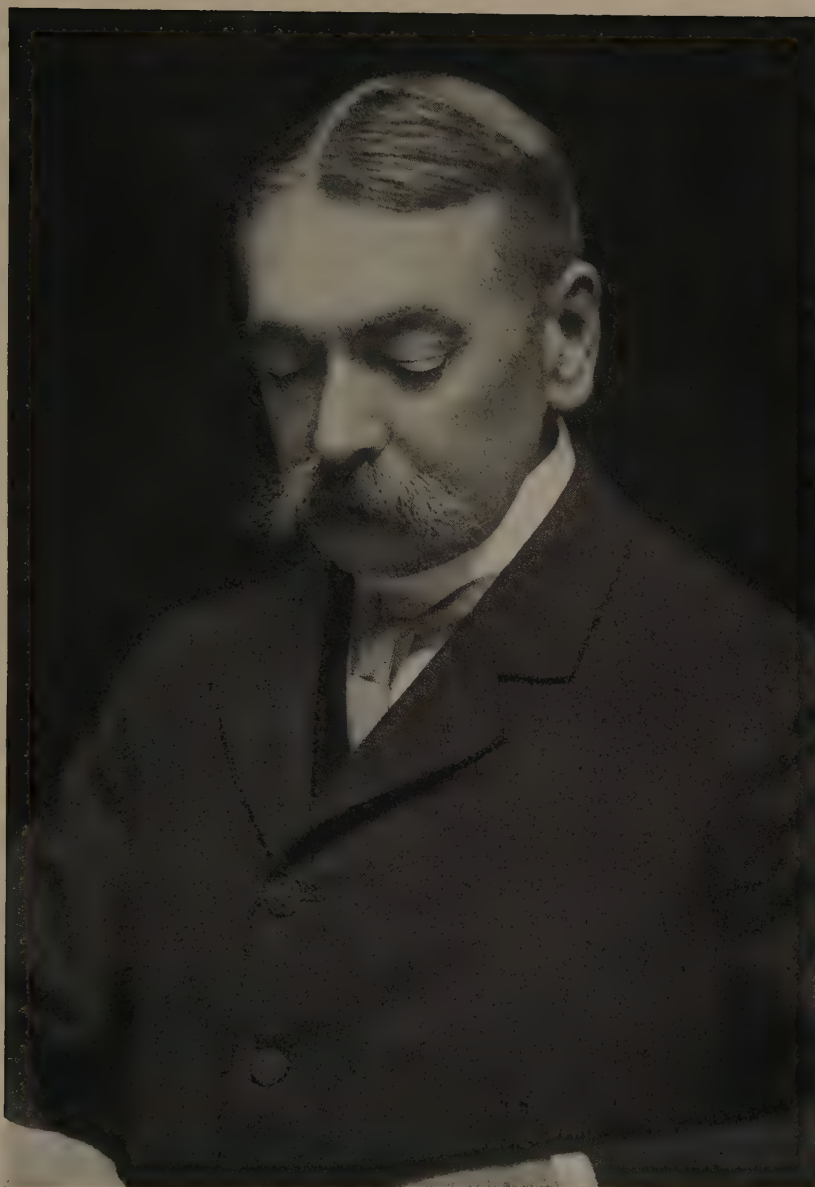
CHAPTER XIV.

The Progress of the Indemnity

THE complications and confusions of the original scheme having been eliminated, Ellis had a clear field for his talents. In spite of his comparative youth, his name was held in good repute in marine insurance circles, and he soon drew to the Indemnity an increasing amount of business from merchants who did not hold shares in the Company, in addition to the normal amount of business done by the shareholders themselves.

The Indemnity and the Alliance were the only Marine Insurance Companies formed in 1824, and it was not until 1836 that another entered the field, and the Directors took advantage of the absence of competition during this period to consolidate the position of the Company. Under the original scheme it was incumbent on them "to cause any bonus which they may declare out of profits to be forthwith paid to the Proprietors," but in 1830 it was thought safer to apply the bonus to the increase of the paid-up amount of the shares. The first bonus of 16s. 6d. was allotted in 1831, making the shares £6 10s. paid, and from 1833 to 1840 further bonuses were added until the shares became £20 paid. Five per cent. per annum was paid on these amounts as well as on the original £5 13s. 6d. In 1840 a cash bonus of £1 per share was paid in addition to the £2 bonus added to Capital, and from 1840 to 1853 cash bonuses varying between 10s. and £3 per share were paid in addition to the normal 5 per cent.

Most of the original committees formed to discuss various departments of the business of the Company had been dissolved, but in 1837 there still remained the Committee of Management, which met weekly to discuss any matter referred to it by the Daily Committee or "Sitting Directors." All the resolutions of these Committees were subject to ratification by the Monthly Board, and it became obvious that it would be simpler for the whole Board to meet weekly as it does to the present day.



HENRY HASLAM, Esq.

Underwriter, 1889 to 1912

Owing to the fact that the Company was formed under a Deed of Settlement, it could only sue or be sued in a Court of Law in the names of all the shareholders, or in certain cases in the names of four Directors. The advantages of a Charter occupied the minds of the Directors for some time, but eventually an Act of Parliament was preferred, and on June 18th, 1842 "an Act for regulating legal proceedings by or against the Indemnity Mutual Marine Assurance Company" received the Royal Assent.

Ellis's brilliant underwriting during the Australian Gold Rush and the Crimean War sealed the success of the Company, and everyone, from the Proprietors down to the last recruited messenger, shared in the rejoicings, the majority of the staff receiving bonuses amounting to 50 per cent. of their salaries for three years in succession.

In 1854 a further series of additions by bonus to capital commenced. The £20 paid shares of the Company were quoted at £62 in July, 1853. From 1854 to 1859 amounts varying between £3 and £8 were added to Capital, making the shares £50 paid, and cash bonuses of £3 to £7 were paid in those years. In 1859 the Company's shares changed hands in the market at £175 per share.

Unfortunately this period of wonderful success did not last long. The introduction of the Joint Stock Companies Act in 1862 simplified the promotion of Marine Companies, and a number of these were formed to take over the business which was diverted to England during the American Civil War. Rate cutting became rampant and the business of the Indemnity diminished rapidly. Under these circumstances it was found impossible to maintain the large dividends on a paid-up Capital of over £600,000. A scheme for the sub-division of shares was put before the Board in 1865 by Donald Larnach. He suggested that in order to make the shares more accessible to the public each £100 share, £50 paid, should become five £10 shares, £5 paid. The matter was discussed at considerable length, but was adjourned *sine die*. Similar proposals were made at various times, but in deference to Ellis's wishes they were invariably postponed. The situation did not improve, and in 1881 a scheme was presented to the necessary Extraordinary General Meetings, and resolutions were passed, whereby £15 per share were returned to the shareholders

and the shares of £100 each were divided into five shares of £20 each, £7 paid up.

From 1878 to 1888 the premium income hovered round the £100,000 mark and was lower than at any other time in the Company's history. A Committee was appointed in 1886 "to consider the best means to be adopted for increasing the business and promoting the welfare of the Company," and recommended :

That the Company be converted into a Limited Liability Company.

That a return of £4 per share be made to shareholders and the shares be made £15 shares, £3 paid up.

That Agents be appointed when and where considered advisable.

That the Company move as near as possible to Lloyd's as soon as offices can be obtained.

The first two recommendations were carried out on December 31st, 1886, the first Agent was appointed on September 22nd, 1887, and the Company moved into offices at Nos. 1 and 2, Threadneedle Street, on April 3rd, 1888.

In 1889 Lawrence D. Smith, Ellis's successor in the Underwriting Chair, resigned, and the Directors sought advice at Lloyd's as to a successor. Henry Haslam, a prominent member, was appointed to succeed Smith, and under his vigorous management many changes were made and old-fashioned ideas which had been allowed to remain in the systems adopted in the office were eliminated. On his instruction a scheme was produced whereby a policy could be ready for delivery to the broker within 24 hours from the closing of the risk.

Henry Haslam died in 1912, and was succeeded by Arthur H. Roberts, who carried the Company through the anxious years of the War. With characteristic courage Roberts wrote a very large account, and the premium income rose to the unprecedented figure of over £3,200,000 in 1917, probably the largest amount written by a single marine company. The profits of the years 1917 and 1918 were the record profits of the Company.

Roberts retired in December, 1923, and was succeeded by his Deputy, William J. Creasy, of whom the Chairman, in his speech to the shareholders in February, 1924, remarked : "Having regard to Mr. Creasy's long experience and intimate acquaintance with the business of the Company I have every confidence that it will continue to prosper in his hands."



RT. HON. FREDERICK HUTH JACKSON, P.C.

Chairman, 1909 to 1921

CHAPTER XV.

Some Interesting Claims

SOME of the early claims paid by the Company tell of risks which are not contemplated by an Underwriter of to-day.

In 1825 there was a loss of £1,500 by the *William Fraser*, which was captured by a pirate from Porto Rico ; and £700 by the *John and Ann*, captured by a Columbian privateer. In 1826 the estimated losses by piracies were given at £1,500 ; and a few years later awards were made to some French fishermen for their heroic efforts in saving the crew and *convicts* from the *Amphitrite* (convict ship), but there is no record to prove whether the Indemnity insured the ship or the cargo. On the other hand, no claim arose on a consignment of *saints' bodies*, a risk taken by Ellis in the 'seventies.

The burning of the East India Company's ship *Kent*, on which the Indemnity settled a loss of £10,000, is referred to in the Chairman's speech at the first Annual Meeting.

One of the losses in the year 1830 was that of H.M.S. *Thetis*. She was carrying a cargo of gold, silver, etc., from South America to England under the special freight charges for treasure carried on His Majesty's ships made by the Government in accordance with the proclamation of George III. in 1819. The charge for freight was divided between the Admiral of the Station to which the ship belonged ($\frac{1}{4}$), the officer commanding the ship ($\frac{1}{2}$), and the Greenwich Hospital ($\frac{1}{4}$) ; but the captain of the ship was not liable for more than three-quarters of the loss or damage. The *Thetis* sailed from Rio de Janeiro on Thursday, December 3rd, 1830, and on Sunday, the 5th, she struck on the rocks at Cape Frio at 8.20 p.m. The *Literary Intelligencer*, a Rio de Janeiro newspaper, dated December 30th, 1830, gives the following vivid story of the wreck :

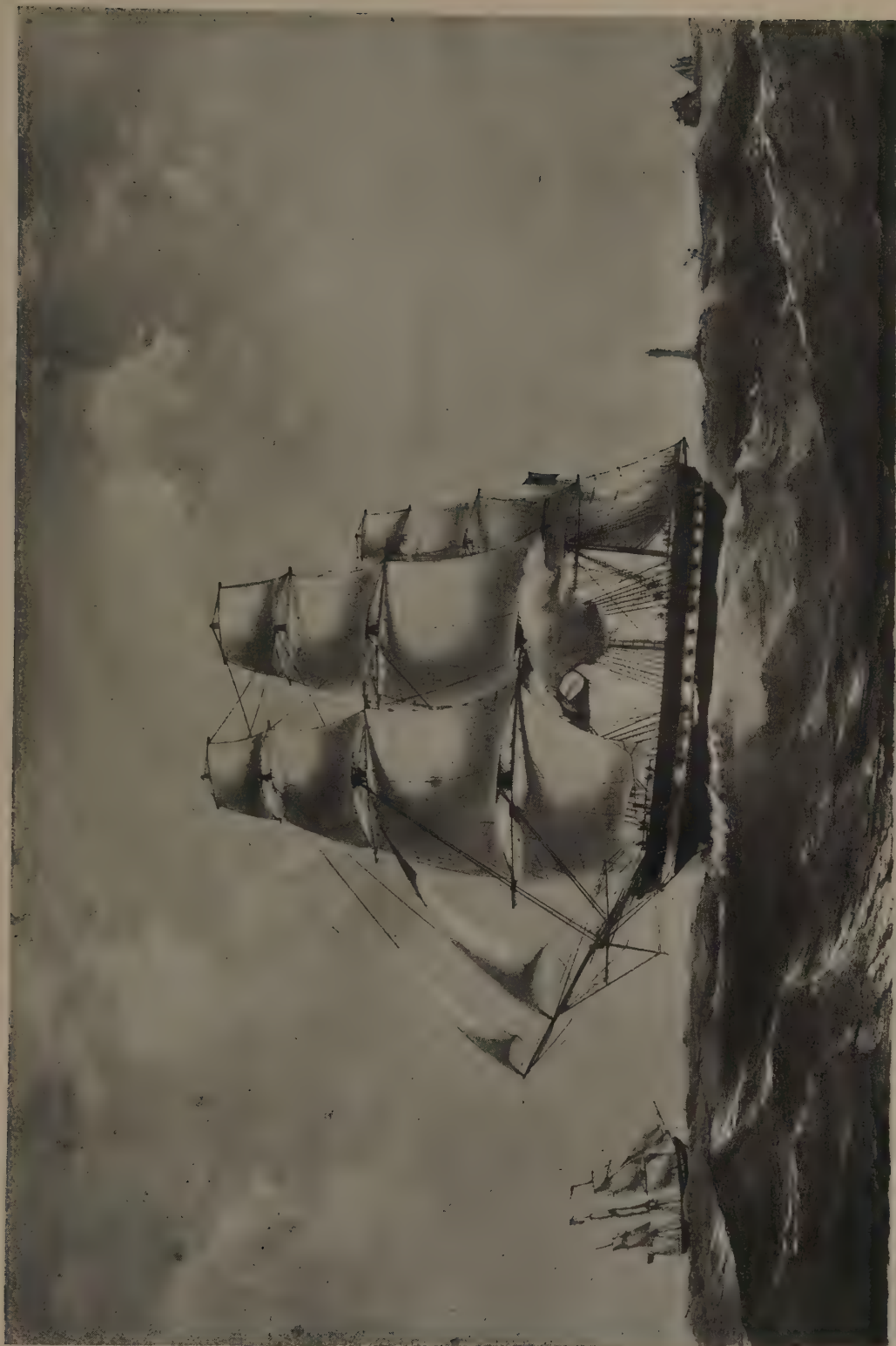
" The night was very dark and rainy, and the vessel, steering N.E. by E., with fore-top-mast studding sail set, going about eight knots, when a general consternation was caused by the cry of ' Land ahead ' ' Hard up ! ' ' Hands shorten sail ! ' which

was instantly followed by a dreadful crash ; the bowsprit was broken off short about 14ft. from the stem, and hung over the larboard bow by the forestay, and served as a fender to her bows from the rocks, and prevented them from being stove in ; guns were fired, which were distinctly heard by the inhabitants of Cap Frio ; the foremast fell almost immediately after, as also the mainmast, bringing the mizen mast with it, killing the man at the wheel, and one near the mizen mast, wounding the second master, besides a seaman and a marine, the masts having fallen fore and aft and the yards athwart ship. The ship's head now went off, throwing her quarter on the rock, when about sixty men made their escape ; the larboard anchor was let go and a small sail hoisted on the stump of the fore and main mast, to pay her off from the rocks, and blue lights were burnt. It was at length ascertained that the vessel had entered a small bay with a high rock immediately overhead ; the helm was tended in the gun room till the rudder went ; chain pumps were rigged but she had made no water ; the ship then swung with her larboard bow on the rock and a hawser and ropes were got on shore, but as there was no small rock to take a turn round, the men could not hold on ; about midnight the ship went off to the distance of her own length from the rock and sunk stern foremost. . . . The Captain remained on the wreck till quite exhausted and it was near daylight when he came on shore."

As neither officers nor men had anything on " but shirt or trowsers," they had considerable difficulty in getting over the rocky ground, but the local fishermen treated them " with all the kindness and hospitality their miserable huts could afford."

The cargo of the *Thetis* was valued at \$810,000, and the Admiral in command of the South American Station took charge of the salvage operations. The frigate lay in a small bay, little wider than her own length, with only six fathoms of water over her. A network composed of chain cable, ropes, ballast, etc., was dropped alongside on the rocky bottom to keep her cargo from washing out into deeper water, and a diving bell made of two water tanks was used to fix grappling irons to the cases in which the gold was stored. In this way a very large proportion, \$750,000, was salvaged. Considering the primitive nature of the machinery used, it is surprising that there was only one casualty.

The largest loss paid by the Company was that of the *Madagascar* in 1853. She was an Indiaman of 1,000 tons, classed A 1 at Lloyd's, and owned by Messrs. Green, of Blackwall. She left Melbourne for England on August 11th, 1853, was commanded by Captain Harris, and carried, passengers and crew, 156 souls. She had on board 36,000 ounces of gold dust, which is believed to be the first consignment of gold by the Victorian Government, and, beside the Government



CLIPPER SHIP, "THE GREAT BRITAIN", 1842

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gold, there was considered to be a large amount in the possession of passengers returning from the diggings—perhaps half-a-million sterling in all. It is stated that she was advertised to sail on July 15th, but was delayed by the discovery on board of members of the gang which had just robbed the gold escort on the Bendigo Road from the diggings. They were taken ashore and hanged. Another ship, the *Marlborough*, left Melbourne on the same day as the *Madagascar*, and her Captain reported on arrival a very rough and stormy passage, with many icebergs ; but nothing was ever heard of the *Madagascar*. She is one of the many mysteries of the seas. The Company's loss was about £100,000, or one-sixth of the year's premium income ; nevertheless the profit on that year amounted to £60,000. The Directors have been invited to subscribe to expeditions to the South Seas to search for the wreck and treasure, but have invariably decided to cut their loss.

Another Australian gold loss was that of the *Royal Charter*, which was wrecked off Liverpool in 1859. The Company settled £49,000, but recovered £41,500 of this amount.

A number of claims were paid by the Company on losses caused by the *Alabama* and *Shenandoah* during the American Civil War, and an offer was made by a gentleman in the States to take up the Company's case against the States Government for a commission of 50 per cent. of any amount he obtained on their behalf. Apparently the offer was not accepted.

An interesting salvage was received in 1848, when £2,500 were returned to the Company anonymously in Bank of England notes. Although efforts were made to trace the sender, the only discovery was that the package emanated from Bristol. At a later date £150, said to be for over-insurance, were received, with a request to acknowledge receipt in the personal column of a daily paper.

CHAPTER XVI.

No. 1, Old Broad Street

WHEN the Company moved to offices in Nos. 1 and 2, Threadneedle Street in order to be nearer Lloyd's it was obviously with the intention of securing a more convenient site at the earliest possible moment. The offices were rented from the Scottish Amicable Life Insurance Society, and the accommodation was extremely unsatisfactory owing to the fact that it was spread over two houses and there was no internal communication between departments. Until the installation of speaking tubes in the later 'nineties messages had to be carried outside the building in order to pass from one department to another.

The Company's present site at No. 1, Old Broad Street was then occupied by the Imperial Insurance Company, but when that Company was acquired by the Alliance Assurance Company the building was no longer required. The Indemnity purchased the site in 1903 for £210,000, the old building consisting of three floors was razed, and the present offices, which consist of six floors, were erected in its place. The view from the west windows past the Mansion House Station is one of the longest in the City of London and the site is of great historical interest.

The earliest dependable map of the City, Agas's "Civitas Londinum," shows a building on the corner of Broad Street and Threadneedle Street on the west side of St. Anthony's Hospital, and there is a note in the records of the Brewers Company under date 1421, relating the misconduct of one William Payne at "the sign of the Swan by St. Anthony's Hospital, Threadneedle Street," who refused to contribute a barrel of ale to be sent to King Henry V. in France. He (Payne) was fined "3s. 4d. for a swan for his Master's breakfast."

In Kingsford's edition of Stow's survey there is a further note to the effect that John Tate, a brewer and mercer, gave up his house, the

Swan, and gave the ground to be added to St. Anthony's. The Church of St. Anthony was rebuilt in 1499, and on the map in Kingsford's edition the Church is shown covering the whole of the corner site. Thus both the sites owned by the Company during its hundred years of existence are closely connected with orders of begging friars.

The original site of St. Anthony's was first granted by Henry III. in 1231 to the Brotherhood of St. Anthony of Vienna, but reverted to the Royal possession under the Alien Priorities Act of 1414 and became a Royal Free Chapel. More land was acquired and a free school and almshouses were built. The Church of St. Bene't Fink was appropriated to the Hospital for the benefit of the School, and Stow records the fact that the scholars of St. Anthony's were the best in the City schools. His quaint record is very illuminating.

"The arguing of the schoolboys about the principles of Grammar hath been continued even till our time, for I myself in my youth have yearly seen on the Eve of St. Bartolomew the Apostle, the scholars of divers Grammar Schools repair unto the Churchyard of St. Bartolomew. Where, upon a bank boorded about under a tree, some one scholar hath stepped up and there apposed and answered till he were by some better scholar overcome and put down and then the overcommer taking the place, did like as the first, and in the end the best apposers and answerers had rewards. . . . I remember there repaired to these exercises amongst others the Masters and Scholars of St. Pauls in London, St. Peters at Westminster, and of St. Thomas Acons Hospital and of St. Anthonies Hospital, whereof the last named commonly presented the best scholars and had the prizes in those days.

"The Priorie of St. Bartolomew, being surrendered to Henry VIII., those disputations of scholars in that place surceased. And was again only for a year or twain in the reign of Edward VI. revived, in the cloister of Christ's Hospital, where the best scholars, then still of St. Anthonies School, were rewarded with bows and arrows of silver given to them by Sir Martin Bowes, Goldsmith. Nevertheless howsoever the encouragement failed, the scholars of Pauls meeting with them of St. Anthonies would call them Anthonie pigs and they again would call the others pigeons of Pauls because many pigeons were bred in Pauls Church, and St. Anthonie always figured with a pig following him, and mindful of the former usage did for a long season disorderly in the open street provoke one another with 'Salve tu quoque, placet tibi mecum disputari, placet?' and so proceeding from this to questions in grammar they usually fell from words to blows, with their satchels full of books, many times in great heaps, that they troubled the streets and passengers, so that finally they were restrained with the decay of St. Anthonies school."

Among the famous men educated at the School of St. Anthony were Sir Thomas More, Lord Chancellor ; Dr. Nicholas Heath, Bishop

of Rochester and later of Worcester, and then Archbishop of York and Lord Chancellor ; Dr. John Whitgift, Bishop of Worcester, and afterwards Archbishop of Canterbury.

Stow gives the reason for the appellation " Anthonie pigs."

"The proctors of this house (St. Anthony's) were to collect the benevolence of charitable persons toward the building and supporting thereof. And amongst other things observed in my youth, I remember that the officers charged with the oversight of the markets in this City did divers times take from the market people pigs starved or otherwise unwholesome for man's sustenance, these they slit in the ear. One of the proctors for St. Anthonies tied a bell about the neck and let it feed on the Dunguehills, no man would hurt or take them up, but if any man gave to them bread or other feeding, such would they know, watch for and daily follow, whining till they had somewhat given them : whereupon was raised a proverb, such a one will follow such a one, and whine as it were a St. Anthonie pig; but if such a pig grew to be fat and came to good liking, (as oft times they did) then the proctor would take him up to the use of the hospital."

Kingsford further explains that the pigs of St. Anthony were privileged, but the Renter of the Hospital had to swear that he would not claim any pigs wandering in the City, nor hang bells round the necks of any which had not been given to the hospital in pure alms. Other pigs were such a nuisance that, at an early date, men were appointed to kill all that were found loose in the streets. There is also a statement that Broad Street was so infested with these pigs that it was nicknamed " Pig Street ! "

After the dissolution of the monasteries the hospital was despoiled by one of the prebends of Windsor, and the almsmen turned out. The Church was let to the French Protestants, the Huguenots, in Elizabeth's reign, and the school fell into decay.

The French Church was rebuilt after the Fire of London, and there is in the possession of the Company a copy of an award made in 1670 by Robert Hook and John Oliver, the two surveyors for the City of London, which purports to settle a series of disputes between one Thomas Hoard and the Ministers, Elders and Deacons of the French Church. It is evident that the old site of the Swan Tavern had reverted to individual ownership after the Dissolution. Under the award " the said Thomas Hoard shall build only two stories high according to the Act for rebuilding (and noe higher) under the West

window of the said Church, and shall either shedd it off or cover it flat with lead so as the light of the said West window may be wholly preserved."

The Corporation of London acquired large areas in the vicinity of No. 1, Old Broad Street in accordance with an Act of Parliament "made and passed in the first and second years of Victoria entitled 'An Act for improving the site of the Royal Exchange in the City of London and the avenues adjoining thereto.'" The Church of St. Bene't Fink and the French Protestant Church, together with many other buildings, were pulled down, and Threadneedle Street was widened considerably, but the site of No. 1, Old Broad Street was very slightly altered. One Edward Moxhay, originally a shoemaker and afterwards a biscuit baker in Threadneedle Street, built the Hall of Commerce on the site of the French Protestant Church to accommodate merchants after the burning of the Royal Exchange. The present site of No. 1 was acquired by the Imperial Insurance Company from the Corporation of London in 1848, when the building which was taken over by the Indemnity was erected.

CHAPTER XVII.

War Service

THE Indemnity Company has an admirable record for War Service. All eligible members of the pre-war staff enlisted, and no one has been admitted to the staff since the war unless he could show some service record.

On the outbreak of war the staff (including messengers and house staff) numbered 26, of whom sixteen served in various ranks and capacities in the Army, eight of them enlisting before the end of September, 1914. Of the ten who did not see service, seven were over military age (four of them were Special Constables), and three were adjudicated unfit for service. Twelve persons who joined the staff after the outbreak of war went on service later. Two members of the staff were killed, one died in hospital on service, and another died from illness contracted on service. One of the Directors, Lieut.-Col. C. E. Johnston, was awarded the D.S.O. and M.C., and a member of the staff the M.M.

RECORD OF SERVICE

DIRECTORS.

RIGHT HON. VISCOUNT MILNER, K.G.	Member of War Cabinet.
BRIG.-GEN. THE HON. EVERARD BARING, C.V.O.	Yeomanry Brigade.
LIEUT.-COL. C. E. JOHNSTON, D.S.O., M.C.	5th, 6th and 7th City of London.
W. J. LE LACHEUR	Mine Sweeping Operations.

STAFF.

H. N. APPLEFORD	Lancashire Fusiliers.
G. BAKER	Royal West Surreys.
G. C. BROCKLESS	Middlesex Regt.
F. G. CARTER	Honourable Artillery Company.
G. DIPPIC	Rifle Brigade.



RT. HON. VISCOUNT MILNER, K.G., P.C., G.C.B., G.C.M.G.
Present Chairman

*E. H. N. DOWLEN	. . . . .	Middlesex Regt.
*H. B. EDMUNDS	. . . . .	5th City of London (L.R.B.).
L. A. EDWARDS	. . . . .	Royal Air Force.
J. FOLLETT	. . . . .	5th City of London (L.R.B.).
*J. W. FOSTER	. . . . .	7th City of London.
*W. GUNN (killed)	. . . . .	48th Brigade (R.F.A.).
*A. E. GARWOOD	. . . . .	2-3rd London Brigade (R.F.A.).
*G. HOLMES (killed)	. . . . .	Suffolk Regt.
*S. R. HOW	. . . . .	12th London Regt.
*E. H. HOWARD, M.M.	. . . . .	5th City of London (L.R.B.).
*H. J. LEIGH	. . . . .	615th H.S. Employment Co.
F. E. MAINLAND	. . . . .	R.A.M.C.
C. R. MAYBEE	. . . . .	Royal Sussex Regt.
*H. R. MITCHELL	. . . . .	7th City of London.
*H. H. MONSELL (died in hospital)	. . . . .	Royal Irish Rifles.
R. NORMAN	. . . . .	Honourable Artillery Company.
B. PEARCE	. . . . .	Royal Engineers.
*L. C. PEARSON	. . . . .	108 Heavy Battery, R.G.A.
R. G. PIDGEON	. . . . .	R.N.V.R.
*W. J. SCOTT (died)	. . . . .	Rifle Brigade.
C. H. SMITH.	. . . . .	Highland Light Infantry.
*W. R. SMITH	. . . . .	5th City of London (L.R.B.)
*H. S. THOMPSON	. . . . .	R.A.M.C.
*F. R. VINE	. . . . .	113th Siege Battery, R.G.A.
J. C. WARK	. . . . .	Queen's Royal West Surreys.

* *Members of pre-war staff.*

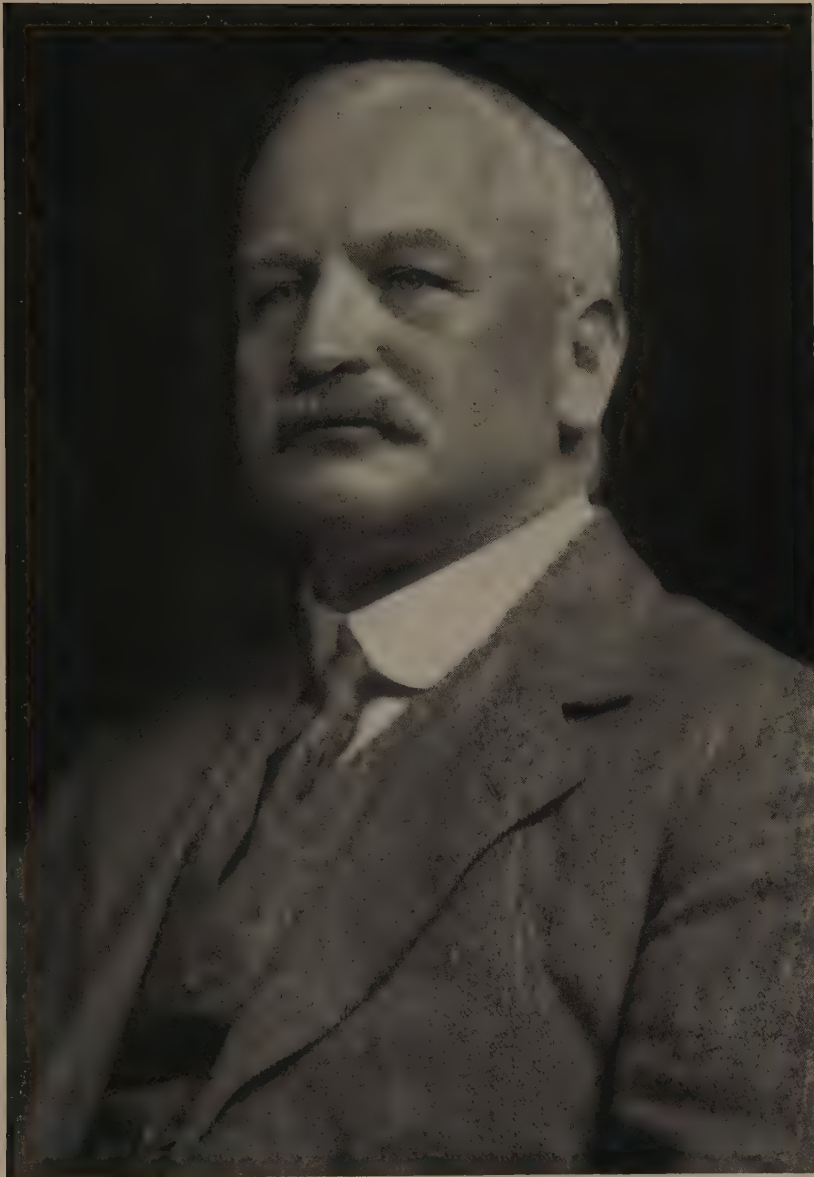
CHAPTER XVIII.

Staff Profit Sharing Scheme

IN 1917 the Directors inaugurated a Staff Profit Sharing Scheme which is unique in the insurance world. When the scheme was launched it was to a certain extent experimental and was founded on a Trust Deed which set the period of its existence at five years. Although its details were published in the newspapers at the time they may be unknown to some who were on service.

The Directors agreed, on behalf of the Company, to set aside 2 per cent. of the underwriting profits over £20,000 every year, and to hand that amount to trustees appointed on behalf of the staff. One-half of the amount created a Long Service Fund to be distributed among the staff according to length of service. Five years' service earned one share; ten years', two shares; fifteen years', three shares; twenty years', four shares; and twenty-five years', and over, five shares; and the Long Service Fund was divided in those proportions. The remaining one per cent. created an Efficiency Fund, which was allocated, at the discretion of the Directors, according to the efficiency of each individual member of the staff. The scheme was introduced when the majority of the pre-war staff were on service and their interests were especially protected by the arrangement whereby service in His Majesty's Forces was counted as service with the Company.

Five years have passed since its inauguration, and the scheme has left the experimental stage. The original Trust Deed has been cancelled, but in future the allocation will be 4 per cent. of the profits of the Company above £20,000, with a maximum distribution of £3,000.



ARTHUR HENRY ROBERTS, Esq.

Underwriter, 1912 to 1923

CHAPTER XIX.

Acquisition by the Northern Assurance Company

IN recent years there has been a general tendency towards the consolidation of financial houses and insurance companies. At the present time there are few marine insurance companies which are entirely independent, the majority having amalgamated with one or other of the large Fire or Life Insurance Companies.

In 1917 the Northern Assurance Company made an offer to the shareholders of the Indemnity, and it was accepted by a very large majority well within the stipulated period. For each Indemnity share the Northern Company allotted £15 5 per cent. Debentures, and £7 10s. 6 per cent. fully paid Participating Preference Shares in their Company, and £1 in cash. The whole of the 67,000 Indemnity shares are now held by the Northern Assurance Company.

The original shareholder in 1824 actually paid £5 13s. 6d. in cash for every share he held, and the accumulation in value over the hundred years is indicative of the success of the Company. Apart from dividends and bonuses paid in cash in the ordinary way, each original share returned £15 in cash in 1881, £20 (five shares at £4 each) in 1886, and £75 Northern Debentures, £37 10s. Northern Preference shares, and £5 in cash in 1917. Thus, assuming that one person held the shares over the whole period and sold his Northern shares at par, he would have received £152 10s. for his original outlay of £5 13s. 6d.

In 1923 it was decided to capitalise £804,000 of the Reserves of the Company, and the amount necessary to pay up the £12 liability on each share was transferred from reserves and profit and loss account. The shares of the Company now stand at 67,000 shares of £15 each, fully paid, thereby making the Authorised and Paid-up Capital of the Company £1,005,000.

CHAPTER XX.

Personalia

THE names of the Directors are given in Appendix A, but the personal characteristics of the majority are unrecorded. During the century five have exceeded forty years' service and, though the record of forty-five years is still held by two of the original directors, Mr. Goschen has commenced his forty-fifth year on the Board. In many cases sons succeeded fathers, and as soon as one member of a firm resigned or died another took his place. Such names as Hodgson, Cattley, Astell, Buckle, Hankey and Ellis appear more than once, and many members of the Indemnity Board served as directors of other merchant and insurance companies.

A figure which stands out among the chairmen of the last century is that of Donald Larnach, who was elected to the chair in 1881. He had served on the Board for twenty-six years previously, and his influence on the Company's investments was such that some shareholders thought that there were too many eggs in one basket, but it is natural that Mr. Larnach should have recommended Australian Government Securities with great confidence. He had spent nineteen years in Australia, and his great reputation as President of the Bank of New South Wales preceded him to England. He became a Director of the Indemnity two years after his return to this country, and was always deeply interested in its welfare. During his chairmanship two returns of capital were made, £15 per share in 1881, and £4 on each of the subdivided shares in 1886. His influence and judgment were of great value to the Company.

John Nutt Bullen held the chair from 1897 to 1903, and carried through the negotiations for the present site, but did not live to see the building completed, Spencer H. Curtis taking the chair at the first meeting in the new offices. Mr. Curtis served the Company in that capacity for six years, and then retired in favour of the Rt. Hon.



CYRIL GURNEY, Esq.
Present Deputy Chairman

Frederick Huth Jackson. Mr. Huth Jackson's guidance brought the Company through many difficulties and he never spared himself in its service. Long before the War the Government had appointed a Committee to prepare a plan for dealing with the national insurance of ships and cargoes, British and neutral, in the event of a war. Mr. Huth Jackson was appointed chairman of that Committee, which collected much valuable information and evolved a detailed scheme, which was brought into operation immediately after the outbreak of hostilities, and proved a conspicuous success. He was chairman of the Accepting Houses Committee and took an active part in the discussions which led to the establishment of the moratorium. He also did much valuable public work, of which the country experienced the benefit during the War. His strenuous labours during the War and his great efforts during the difficult period of industrial reconstruction were doubtless responsible for his early death.

On the death of Mr. Huth Jackson in 1921, Edward Charles Grenfell held the chair for a year, but, after being elected Member of Parliament for the City of London, he found that his duties were so heavy that his resignation from the chair was imperative, though he still remains a Director. He was succeeded by the Rt. Hon. Viscount Milner, the present chairman. Lord Milner had been a Director of the Board from 1907 to 1916, but retired in the latter year on becoming a member of the War Cabinet. He was re-elected a Director on resigning office in 1921, and succeeded Mr. Grenfell as chairman in January, 1923.

Among the Company's original shareholders are men whose names are known in every branch of marine business. Insurance brokers are represented by Bowring, shipowners by Cory, average adjusters by Elmslie, and so on. Such well-known firms as Frederick Huth and Co., Thomson Hankey & Co., and Antony Gibbs & Co., appear early in the Company's records and their names are still in the books.

The shares of the Company were handed down through a number of families, and many of the shareholders who accepted the offer of the Northern Assurance Company in 1917 were the direct descendants of the original holders.

The family succession is even more marked in the staff record. William Ellis introduced two sons, William Henry and Edward, into the Underwriting Department. The former died young, but the latter was deputy underwriter for twelve years, and his son, Henry Ellis, also served the Company in that capacity. George Channer, the first secretary, was assisted by his son Alfred at a very early date, and the latter remained on the staff until 1853. The accountant, Richard Lipscombe, had two sons on the staff, and the surveyor, Capt. Thompson, was represented by his son Thomas Hansell Thompson. Henry Steward, who entered the Company in December, 1824, introduced his nephew, Charles Corke, a later secretary, whose son, Charles Edward Corke, remained on the staff as accountant until 1911.

The record for length of service with the Company was long held by William Ellis, whose connection with it as underwriter and director lasted for $56\frac{1}{2}$ years. This record has now been beaten by that of J. F. Mainland, the present secretary, who completed his fifty-eighth year in June, 1924; thus the tenure of office of these two gentlemen more than covers the whole century of the Company's existence.



WILLIAM JAMES CREASY, Esq.

Present Underwriter

APPENDIX A

Directors of the Indemnity

ROBERT RICKARDS	1824 to 1834	Chairman 1824 to 1831.
GEORGE LYALL, M.P.	1824 to 1854	Chairman 1831 to 1852.
WILLIAM ASTELL, M.P.	1824 to 1847	
DAVID BARCLAY	1824 to 1835	
CORNELIUS BULLER	1824 to 1831	
JOHN WM. BUCKLE	1824 to 1846	
RICHARD HART-DAVIS, M.P.	1824 to 1842	
JOHN T. DAUBUZ	1824 to 1831	
WM. D. DOWSON	1824 to 1832	
EDWARD ELLICE, M.P.	1824 to 1830	
ELLIS ELLIS	1824 to 1830	
RALPH FENWICK	1824 to 1853	
GEORGE HATHORN	1824 to 1849	
GEORGE HIBBERT	1824 to 1869	
JOHN HODGSON	1824 to 1859	
JOHN INNES	1824 to 1832	
NIVEN KERR	1824 to 1832	
THOMAS MURDOCH	1824 to 1847	
STEWART MARJORIBANKS, M.P.	1824 to 1861	
J. HORSLEY PALMER	1824 to 1856	
ROBERT SCOTT	1824 to 1841	
ANDREW HY. THOMPSON	1824 to 1827	
HENRY USBORNE	1824 to 1832	
WILLIAM WILSON	1824 to 1869	Chairman 1862 to 1867.
SAMUEL WINTER	1824 to 1837	
JOHN CATTLEY	1834 to 1863	Chairman 1852 to 1862.
EDW. HY. CHAPMAN	1834 to 1869	
RUSSELL ELLICE	1834 to 1872	
R. F. REYNOLDS	1837 to 1846	
F. H. MITCHELL	1838 to 1880	
JOHN PLOWES	1841 to 1854	
C. DE MURRIETA	1842 to 1869	
WM. K. JAMESON	1843 to 1864	
T. M. WEQUELIN	1844 to 1885	
CHARLES CAVE	1846 to 1886	Chairman 1879 to 1881.
G. W. COTTAM	1846 to 1864	
HENRY BUCKLE	1847 to 1865	
JOHN H. ASTELL	1847 to 1877	
MICHAEL MCCHLERY	1849 to 1854	
JOHN HARRISON ALLAN	1854 to 1882	
PAUL BUTLER	1854 to 1875	
DONALD LARNACH	1855 to 1896	Chairman 1881 to 1896.

A. DE ARROYAVE	1856 to 1866	
KIRKMAN D. HODGSON	1859 to 1879	Chairman 1867 to 1879.
ROBERT TOWER	1859 to 1865	
CHARLES FREEMAN	1861 to 1872	
S. B. E. BERGER	1863 to 1875	
THOMAS CATTLEY	1864 to 1870	
WM. B. HUME	1864 to 1876	
JOHN KNOWLES	1865 to 1877	
JOHN S. OXLEY	1865 to 1881	
JOHN G. MACLEAN	1866 to 1879	
SIR WM. J. W. BAYNES, BART.	1869 to 1897	Chairman 1896 to 1897.
WALTER HANKEY	1869 to 1871	
HENRY HUCKS GIBBS (Lord Aldenham)	1869 to 1906	
M. DE MURRIETA	1869 to 1892	
WILLIAM COSSART	1870 to 1887	
JOHN NUTT BULLEN	1872 to 1903	Chairman 1897 to 1903.
SPENCER H. CURTIS	1872 to 1913	Chairman 1903 to 1909.
R. J. ASHTON	1873 to 1904	
MAJOR F. FANNING	1876 to 1904	
CHARLES DAY ROSE, M.P.	1876 to 1913	
WILLIAM ELLIS	1877 to 1881	
H. B. T. FARQUHAR	1878 to 1884	
HUGH LEWIS TAYLOR	1879 to 1904	
ALEXANDER H. GOSCHEN	1880 to	
HENRY GREY GURNEY	1880 to 1895	
HENRY HARRISON ALLAN	1883 to 1899	
HERBERT BROOKS	1883 to 1918	
WILLIAM MEYER	1883 to 1907	
ROBERT KIRKMAN HODGSON	1891 to 1909	
RUDOLPH A. HANKEY	1893 to 1900	
LEWIS ALEXANDER WALLACE	1898 to	
JOHN ALLEN LE LACHEUR	1898 to 1901	
CYRIL GURNEY	1900 to	
BENJAMIN ABBOT LYON	1901 to 1904	
RT. HON. FREDERICK HUTH JACKSON, P.C.	1903 to 1921	Chairman 1909 to 1921.
HENRY B. BRANDT	1904	
WM. JOHN LE LACHEUR	1904 to 1923	
EDWARD CHARLES GRENFELL, M.P.	1904 to	Chairman 1922.
JOHN ARTHUR GIBBS	1906 to	
RT. HON. VISCOUNT MILNER, K.G.,	{ 1907 to 1916,	Chairman 1923 to
P.C., G.C.B., G.C.M.G.		
BRIG.-GEN. THE HON. EVERARD BARING,	1921 to	
C.V.O.	1910 to	
LT.-COL. CHAS. EVELYN JOHNSTON,	1913 to 1922	
D.S.O., M.C.		
HENRY CHARLES HAMBRO	1918 to	
HAROLD A. SANDERSON	1919 to	
ALFRED GEOFFREY TURNER	1923 to	

APPENDIX B

Officers of the Establishment : 1824 to 1924

<i>Year of Ap- point- ment.</i>	<i>Chairman.</i>	<i>Underwriter.</i>	<i>Deputy Under- writer and Adjuster of Claims.</i>		<i>Secretary.</i>	<i>Accountant.</i>	
1824	Robert Rickards	J. Staniforth	William Ellis		George Channer	Richard Lipscombe	
1827	George Lyall	William Ellis	Henry Steward W.E.D.Cummings Wm. H. Smith		Henry Steward	Nicholas Chester T. F. Betts	
1828							
1831							
1837							
1843							
1844	John Cattley		Edward Ellis		Nicholas Chester Francis Stephens	Charles Corke	
1851							
1852							
1853							
1854	William Wilson		L. D. Smith		Charles Corke	Hy. Cattley Stewart	
1862							
1865							
1867							
1870	K. D. Hodgson	L. D. Smith	Septimus Smith		Charles Corke	Hy. Cattley Stewart	
1877							
1879							
1881							
1888							
1889	Sir Wm. Baynes John Nutt Bullen Spencer H. Curtis F. Huth Jackson	HenryHaslam	Henry Ellis		Hy. Cattley Stewart	C. E. Corke	
1891							
1896							
1897							
1903							
1909	Edw. Chas. Grenfell Viscount Milner	A. H. Roberts	<i>Deputy Under- writer.</i>	<i>Adjus- ter of Claims</i>	J. F. Mainland	F. R. Vine	
1912			A. H. Roberts	A. H. Roberts			C. J. Sayer
1921				W. J. Creasy			
1923							
1924		W. J. Creasy	E. H. N. Dowlen				

APPENDIX C

Dividends and Bonuses

The shares of the Indemnity Company were obtainable on application at any time from August, 1824, to October, 1827, when 13,453 shares had been issued. £5 were paid up on each share on allotment, and 5 per cent. per annum was paid by the Company on that amount from the date of issue. A call of 13s. 6d. per share was made in July, 1826, and 5 per cent. was paid on that amount also. The following is a list of dividends and bonuses paid and added to Capital during the one hundred years:

Year	Amount paid up per share	Dividend per share	Per cent.	Bonus added to Capital	Bonus paid in cash	Per cent.	Total paid in cash	Per cent.
1824	£5 0 0	various	5	—	—	—	various	5
1825	—	£0 5 0	5	—	—	—	£0 5 0	5
1826	—	0 5 0	5	—	—	—	0 5 0	5
1827	5 13 6	0 5 8	5	—	—	—	0 5 8	5
1828	—	0 5 8	5	—	—	—	0 5 8	5
1829	—	0 5 8	5	—	—	—	0 5 8	5
1830	—	0 5 8	5	—	—	—	0 5 8	5
1831	—	0 5 8	5	0 16 6	—	—	0 5 8	5
1832	6 10 0	0 6 6	5	—	—	—	0 6 6	5
1833	—	0 6 6	5	1 0 0	—	—	0 6 6	5
1834	7 10 0	0 7 6	5	0 10 0	—	—	0 7 6	5
1835	8 0 0	0 8 0	5	2 10 0	—	—	0 8 0	5
1836	10 10 0	0 10 6	5	1 10 0	—	—	0 10 6	5
1837	12 0 0	0 12 0	5	2 0 0	—	—	0 12 0	5
1838	14 0 0	0 14 0	5	3 0 0	—	—	0 14 0	5
1839	17 0 0	0 17 0	5	1 0 0	—	—	0 17 0	5
1840	18 0 0	0 18 0	5	2 0 0	1 0 0	5½	1 18 0	10½
1841	20 0 0	1 0 0	5	—	1 0 0	5	2 0 0	10
1842	—	1 0 0	5	—	2 0 0	10	3 0 0	15
1843	—	1 0 0	5	—	1 0 0	5	2 0 0	10
1844	—	1 0 0	5	—	1 0 0	5	2 0 0	10
1845	—	1 0 0	5	—	0 10 0	2½	1 10 0	7½
1846	—	1 0 0	5	—	1 0 0	5	2 0 0	10
1847	—	1 0 0	5	—	1 0 0	5	2 0 0	10
1848	—	1 0 0	5	—	1 0 0	5	2 0 0	10
1849	—	1 0 0	5	—	1 10 0	7½	2 10 0	12½
1850	—	1 0 0	5	—	2 0 0	10	3 0 0	15
1851	—	1 0 0	5	—	3 0 0	15	4 0 0	20
1852	—	1 0 0	5	—	3 0 0	15	4 0 0	20
1853	—	1 0 0	5	—	3 0 0	15	4 0 0	20
1854	—	1 0 0	5	3 0 0	3 0 0	15	4 0 0	20
1855	23 0 0	1 3 0	5	3 0 0	3 0 0	13	4 3 0	18
1856	26 0 0	1 6 0	5	4 0 0	3 0 0	11½	4 6 0	16½

Dividends and Bonuses

Year	Amount paid up per share	Dividend per share	Per cent.	Bonus added to Capital	Bonus paid in cash	Per cent.	Total paid in cash	Per cent.
1857	£30 0 0	£1 10 0	5	5 0 0	£5 0 0	16	£6 10 0	21 $\frac{3}{4}$
1858	35 0 0	1 15 0	5	8 0 0	6 0 0	17	7 15 0	22
1859	43 0 0	2 3 0	5	7 0 0	7 0 0	16 $\frac{1}{4}$	9 3 0	21 $\frac{1}{4}$
1860	50 0 0	2 10 0	5	—	10 0 0	20	12 10 0	25
1861	—	2 10 0	5	—	10 0 0	20	12 10 0	25
1862	—	2 10 0	5	—	10 0 0	20	12 10 0	25
1863	—	2 10 0	5	—	10 0 0	20	12 10 0	25
1864	—	2 10 0	5	—	10 0 0	20	12 10 0	25
1865	—	2 10 0	5	—	10 0 0	20	12 10 0	25
1866	—	2 10 0	5	—	10 0 0	20	12 10 0	25
1867	—	2 10 0	5	—	8 0 0	16	10 10 0	21
1868	—	2 10 0	5	—	8 0 0	16	10 10 0	21
1869	—	2 10 0	5	—	8 0 0	16	10 10 0	21
1870	—	2 10 0	5	—	8 0 0	16	10 10 0	21
1871	—	2 10 0	5	—	8 0 0	16	10 10 0	21
1872	—	2 10 0	5	—	7 0 0	14	9 10 0	19
1873	—	2 10 0	5	—	7 0 0	14	9 10 0	19
1874	—	2 10 0	5	—	7 0 0	14	9 10 0	19
1875	—	2 10 0	5	—	5 0 0	10	7 10 0	15
1876	—	2 10 0	5	—	5 0 0	10	7 10 0	15
1877	—	2 10 0	5	—	5 0 0	10	7 10 0	15
1878	—	2 10 0	5	—	5 0 0	10	7 10 0	15
1879	—	2 10 0	5	—	5 0 0	10	7 10 0	15
1880	—	2 10 0	5	—	5 0 0	10	7 10 0	15
1881	—	2 10 0	5	—	5 0 0	10	7 10 0	15

On December 31st, 1881, £15 per share were returned to the shareholders, and each £100 share became five £20 shares, with £7 paid up on each. Fifty-three shares were cancelled, so the number of shares became 67,000.

Year	Dividend	Per cent.	Bonus	Per cent.	Total	Per cent.
1882	£0 10 0	7	£0 14 0	10	£1 4 0	17
1883	0 7 0	5	0 14 0	10	1 1 0	15
1884	0 7 0	5	0 14 0	10	1 1 0	15
1885	0 7 0	5	0 14 0	10	1 1 0	15
1886	0 7 0	5	0 14 0	10	1 1 0	15

On December 31st, 1886, a further amount of £4 per share (on 67,000 shares) was returned to the shareholders, and the Company was registered as a Limited Liability Company with 67,000 £15 shares, £3 paid.

Dividends and Bonuses

Year	Dividend		Bonus	Total	Per cent.
	Interim	Balance			
1887	£0 7 0	£0 8 0	—	£0 15 0	25
1888	0 5 0	0 7 0	—	0 12 0	20
1889	0 5 0	0 5 0	—	0 10 0	16 $\frac{2}{3}$
1890	0 5 0	0 6 0	—	0 11 0	18 $\frac{2}{3}$
1891	0 6 0	0 6 0	—	0 12 0	20
1892	0 6 0	0 6 0	—	0 12 0	20
1893	0 6 0	0 5 0	—	0 11 0	18 $\frac{1}{3}$
1894	0 5 0	0 5 0	—	0 10 0	16 $\frac{2}{3}$
1895	0 5 0	0 5 0	—	0 10 0	16 $\frac{2}{3}$
1896	0 5 0	0 5 0	—	0 10 0	16 $\frac{2}{3}$
1897	0 6 0	0 6 0	—	0 12 0	20
1898	0 6 0	0 6 0	—	0 12 0	20
1899	0 6 0	0 6 0	0 2 0	0 14 0	23 $\frac{1}{3}$
1900	0 6 0	0 6 0	—	0 12 0	20
1901	0 6 0	0 6 0	—	0 12 0	20
1902	0 6 0	0 6 0	—	0 12 0	20
1903	0 6 0	0 6 0	—	0 12 0	20
1904	0 6 0	0 6 0	—	0 12 0	20
1905	0 6 0	0 6 0	—	0 12 0	20
1906	0 6 0	0 6 0	—	0 12 0	20
1907	0 6 0	0 6 0	—	0 12 0	20
1908	0 6 0	0 6 0	—	0 12 0	20
1909	0 5 0	0 5 0	—	0 10 0	16 $\frac{2}{3}$
1910	0 5 0	0 5 0	—	0 10 0	16 $\frac{2}{3}$
1911	0 5 0	0 5 0	—	0 10 0	16 $\frac{2}{3}$
1912	0 5 0	0 5 0	—	0 10 0	16 $\frac{2}{3}$
1913	0 5 0	0 5 0	—	0 10 0	16 $\frac{2}{3}$
1914	0 6 0	0 6 0	—	0 12 0	20
1915	0 6 0	0 7 0	—	0 13 0	21 $\frac{2}{3}$
1916	0 8 0	0 8 0	—	0 16 0	26 $\frac{2}{3}$
1917	0 8 0	0 12 0	—	1 0 0	33 $\frac{1}{3}$
1918	0 12 0	0 10 0	0 6 0	1 8 0	46 $\frac{2}{3}$
1919	1 0 0	0 12 0	0 8 0	2 0 0	66 $\frac{2}{3}$
1920	1 0 0	1 0 0	0 5 0	2 5 0	75
1921	1 0 0	1 0 0	0 5 0	2 5 0	75
1922	1 0 0	1 0 0	0 5 0	2 5 0	75
1923	1 0 0	1 0 0	0 5 0	2 5 0	75

In 1923, £804,000 were taken from Reserves and Profit and Loss Account to pay up the remaining liability of £12 per share, and the Capital of the Company now stands at 67,000 £15 shares fully paid.

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